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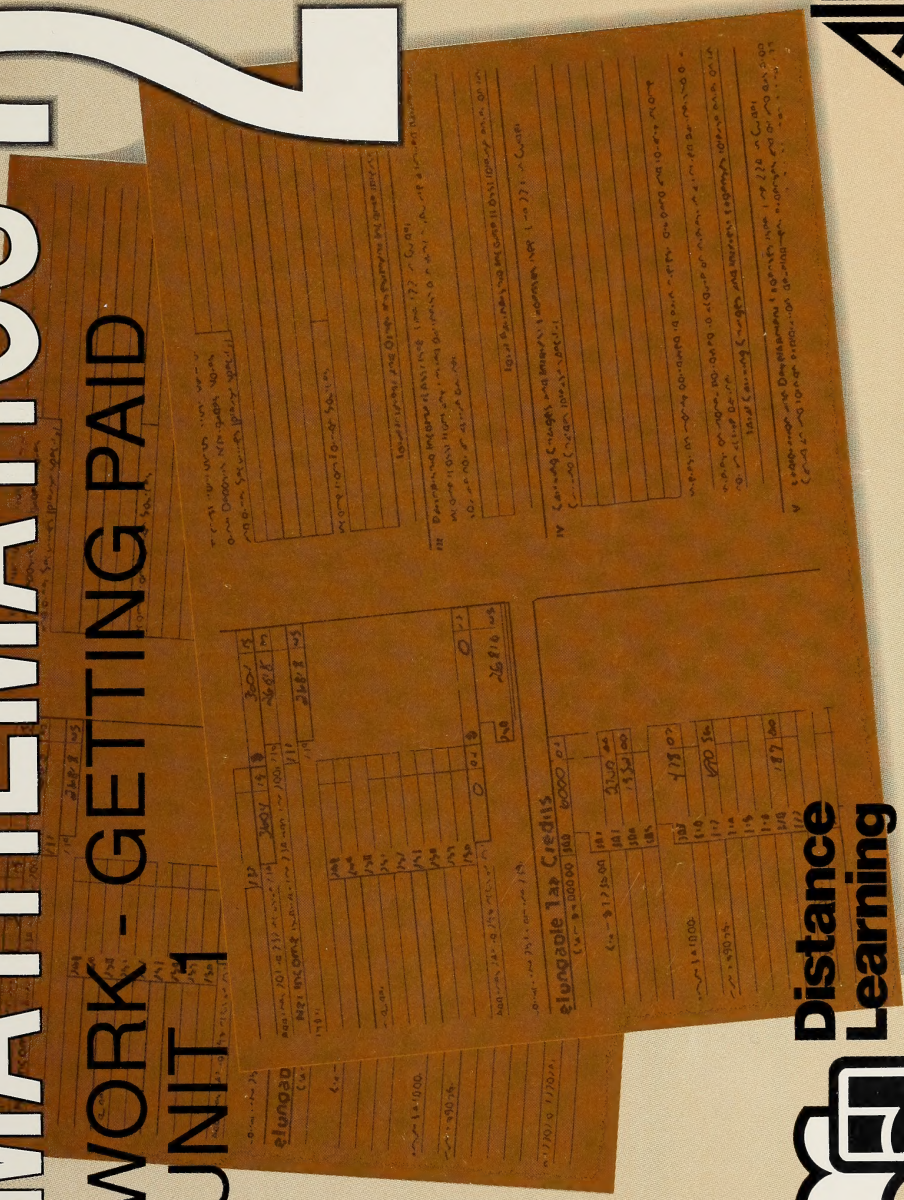
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# MATHEMATICS 24

## WORK - GETTING PAID UNIT 1



Distance  
Learning

Alberta  
EDUCATION





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# W e l c o m e



## Distance Learning

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## General Information

This information explains the basic layout of each booklet.

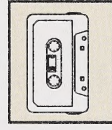
- **What You Already Know** and **Review** are to help you look back at what you have previously studied. The questions are to jog your memory and to prepare you for the learning that is going to happen in this Unit.
- As you begin each **Topic**, spend a little time looking over the components. Doing this will give you a preview of what will be covered in the topic and will set your mind in the direction of learning.
- **Exploring the Topic** includes the objectives, concept development, and activities for each objective. Use your own papers to arrive at the answers in the activities.
- **Extra Help** reviews the topic. If you had any difficulty with **Exploring the Topic**, you may find this part helpful.

- **Extensions** gives you the opportunity to take the topic one step further.
- To summarize what you have learned, and to find instructions on doing the unit assignment, turn to the **Unit Summary** at the end of the unit.
- The **APPENDICES** include the solutions to **Activities (Appendix A)** and any other charts, tables, etc. which may be referred to in the topics (**Appendix B**, etc.).

## Visual Cues

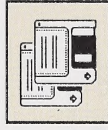
Visual cues are pictures that are used to identify important areas of the material. They are found throughout the booklet.

An explanation of what they mean is written beside each visual cue.



**Audiotape**

- learning by listening to an audiotape



**Computer Software**

- learning by using computer software



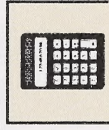
**Videotape**

- learning by viewing a videotape



**Print Pathway**

- choosing a print alternative



**Calculator**

- using your calculator



**What You Already Know**

- reviewing what you already know



**Review**

- studying previous concepts



**Introduction**

- introducing the unit



**What Lies Ahead**

- previewing the unit



**Exploring the Topic**

- actively learning new concepts



**Key Idea**

- flagging important ideas



**Another View**

- exploring different perspectives



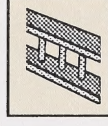
**Solutions**

- correcting the activities



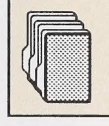
**Extra Help**

- providing additional study



**Extensions**

- going on with the topic



**What You Have Learned**

- summarizing what you have learned



# Mathematics 24

## Course Overview

Mathematics 24 contains 8 units. Beside each unit is a percentage that indicates what the unit is worth in relation to the rest of the course. The units and their percentages are listed below. You will be studying the unit that is shaded.

Unit 1 Work - Getting Paid		14%
Unit 2	Work - Income Tax	10%
Unit 3	Banking - Savings and Chequing Accounts	13%
Unit 4	Banking - Borrowing Money and Using Credit Cards	11%
Unit 5	Transportation - Owning a Vehicle	8%
Unit 6	Transportation - Travelling	8%
Unit 7	Accommodation	20%
Unit 8	Cost of Independence	16%

## Unit Assessment

After completing the unit you will be given a mark based totally on a unit assignment. This assignment will be found in the Assignment Booklet.

Unit Assignment - 100%

If you are working on a CML terminal your teacher will determine what this assessment will be. It may be

Unit assignment - 50%  
Supervised unit test - 50%

## Introduction to Work - Getting Paid

This unit covers topics dealing with Work - Getting Paid. Each topic contains explanations, examples, and activities to assist you in understanding work - getting paid. If you find you are having difficulty with the explanations and the way the material is presented, there is a section called **Extra Help**. If you would like to extend your knowledge of the topic, there is a section called **Extensions**.

You can evaluate your understanding of each topic by working through the activities. Answers are found in the Solutions in **Appendix A**. In several cases there is more than one way to do the question.



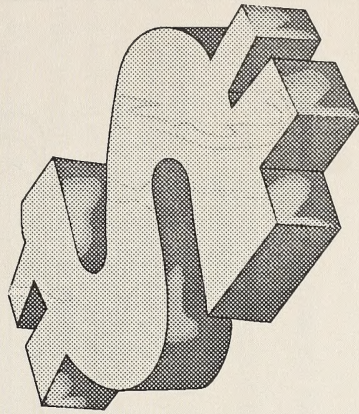
# Unit 1 Work - Getting Paid

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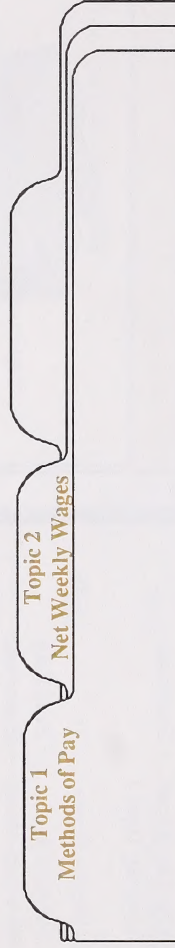
## Work - Getting Paid

The mighty dollar! People all seem to want more dollars and wonder where dollars go. Wages are important to every working person. In this unit, you will examine how you receive money for the work you do, and how money is deducted from your pay for necessary services.





# Unit 1 Work - Getting Paid







Do you remember how to do the following:

- round numbers
- add decimals
- subtract decimals
- multiply decimals
- divide decimals
- change fractions to decimals
- work with percents
- read charts

In writing a whole number, the digits are arranged so that they have a place value. This means that the value represented by each digit in a number is determined by the place that digit occupies in the written number.

Study this place-value table.

[illegible]

The value of each digit in the number 389 105 674.289 is shown in the place-value chart above. The digit 7 is in the tens place and has a value of 300 000 000. The digit 2 is in the tenths place, with a value of  $\frac{2}{10}$  or 0.2. Writing numbers as words requires the knowledge of the place value for each digit.

734 207 seven hundred thirty-four thousand two hundred seven

16.38 sixteen and thirty-eight hundredths

Rounding numbers also involves place value. The following example demonstrates the correct method for rounding 53 248 to the nearest thousand.

53 248

- The digit 3 is in the thousands place.
- The next digit to the right is 2. Since 2 is less than 5, the digit in the thousands place remains the same.
- Change all the digits to the right to zeros.

53 000

Now look at another example.  
Round 4.271 to the nearest tenth.

4.271

- The digit 2 is in the tenths place.
- The next digit to the right is 7. Since 7 is greater than 5, the digit in the tenths place is rounded up to 3.

4.3

- Drop final digits.

If the next digit to the right is 5, add one to the previous number.

### Changing a Decimal to a Fraction or a Fraction to a Decimal

You can change a decimal number to a fraction using place value. Then check to see if the fraction is in simplest form. If the fraction is not in simplest form, divide the numerator and denominator by their greatest common factor.

The following examples show how decimals are changed to fractions.

- 0.6 (six tenths)

$$0.6 = \frac{6}{10} = \frac{6 \div 2}{10 \div 2} = \frac{3}{5} \quad (\text{simplest form})$$

- 0.75 (seventy-five hundredths)

$$\begin{aligned} 0.75 &= \frac{75}{100} \\ &= \frac{75 \div 25}{100 \div 25} \\ &= \frac{3}{4} \end{aligned}$$

(simplest form)

- 0.625 (six hundred twenty-five thousandths)

$$0.625 = \frac{625}{1000} = \frac{625 \div 125}{1000 \div 125} = \frac{5}{8} \quad (\text{simplest form})$$

- 2.65 (two and sixty-five hundredths)

$$2.65 = 2 \frac{65}{100} = 2 \frac{65 \div 5}{100 \div 5} = 2 \frac{13}{20} \quad (\text{simplest form})$$

A fraction can be converted to a decimal number by simply dividing the numerator by the denominator. The fraction  $\frac{2}{5}$  would be converted to a decimal by dividing 2 by 5.

$$\begin{array}{r} 0.4 \\ 5 \overline{)2.00} \\ \underline{20} \\ 0 \end{array} \quad \frac{2}{5} = 0.4$$



The fraction  $\frac{7}{14} = ?$

$$\begin{array}{r} 0.5 \\ 14 \overline{) 7.00} \\ \underline{7 \phantom{0}} \\ 0 \end{array}$$

In this case, the fraction  $\frac{7}{14}$  could have been reduced to lowest terms before dividing.

$$\begin{array}{r} 0.5 \\ 2 \overline{) 1.00} \\ \underline{1 \phantom{0}} \\ 0 \end{array}$$

### Converting a Percent to a Decimal or a Decimal to a Percent

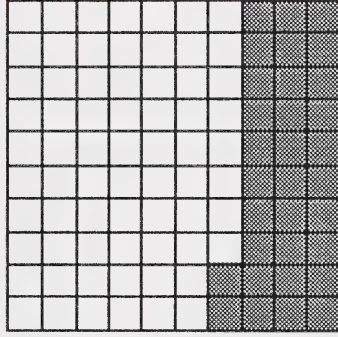
The term percent comes from the Latin words **per centum** which mean **out of a hundred**.

The symbol for percent is %, and it indicates times  $\frac{1}{100}$  or times **0.01**.

The % sign is frequently used in daily life. The following are examples of situations where % is used.

A bank pays  $7\frac{1}{2}\%$  interest on savings deposits and charges  $10\frac{1}{4}\%$  interest on loans. A department store advertises a 20% reduction on certain items. A customer pays 10% carrying

charges on a new TV set. The label on a shirt indicates that it is 65% polyester and 35% cotton. The average daily attendance of a class is 95%.



The large square contains 100 small squares. 32 small squares are shaded. 32 out of 100 is 32 hundredths. Thus, 32 hundredths of the large square are shaded. 32 hundredths as a fraction is  $\frac{32}{100}$  and as a decimal is 0.32. Both  $\frac{32}{100}$  and 0.32 represent the part of the large square that is shaded. You may also say 32% of the square is shaded since percent means hundredths. 68 squares of the 100 squares are not shaded, so 68% of the large square is not shaded.

The whole large square represents 100%.

**Points to Remember:**  
 100% of anything is all of it.  
 As a decimal, 100% is expressed as 1.000.  
 Any % less than 100% equals a number less than 1.  
 Any % greater than 100% equals a number greater than 1.

You can easily convert a decimal value to a percent by moving the decimal point in the given number two places to the right and adding the percent sign. For example,  $0.06 = 6\%$ ,  $0.17 = 17\%$ ,  $2.5 = 250\%$ . Remember that in a whole number, the decimal point is understood to be located after the ones digit. For example,  $8 = 8.0$  and  $15 = 15.0$ .

To convert a percent to a decimal number, you must move the decimal point in the given percent 2 places to the left and drop the percent symbol.

For example,  $3\% = 0.03$ ,  $65\% = 0.65$ ,  $149\% = 1.49$ .



## Review

Now try the following questions.

Do either Part A or Part B. Do Part C.

### Part A

1. Round each number to the nearest hundred.

- a. 7452                      b. 63 849
- c. 196 275                d. 30 165

2. Round the following numbers to the nearest tenth.

- a. 72.16                    b. 34.74
- c. 175.98                d. 29.07

3. Express each of the following numbers in words.

- a. 136.9                    b. 20 043.08
- c. 846 027 149



4. Write each of the following decimal numbers as a fraction. Give your answers in simplest form. An example is done for you.

$$0.85 = \frac{85}{100} = \frac{85 \div 5}{100 \div 5} = \frac{17}{20}$$

- a. 0.4                      b. 0.98  
c. 0.052                  d. 6.775  
e. 0.12

6. Write each of the following fractions as decimal numbers. An example is done for you. Round your answers to three decimal places.

$$5\frac{3}{5} = 5.6$$

- a.  $\frac{9}{16}$                       b.  $7\frac{3}{7}$   
c.  $16\frac{4}{12}$                   d.  $3\frac{1}{8}$   
e.  $\frac{13}{27}$

7. Write each of the following percents as decimals.

- a. 0.53%                  b. 6.13%  
c. 426.8%                d. 18.645%

5. Complete the following chart. Give fractions in their simplest form. The first one is done for you.

The Number in Words	Decimal Form	Fractional Form
Three hundred and eight hundredths	300.08	$300\frac{8}{100} = 300\frac{2}{25}$
Six hundred one thousandths		
Four and seventy-five ten-thousandths		
Seven and two tenths		
Fifty-five hundredths		
Seven hundred twenty-five thousandths		

8. Write each of the following decimals as percents.

- a. 0.63                      b. 3.89  
c. 7.18                      d. 43.07  
e. 0.04                      f. 0.685

- g. 2.16                      h. 2.411  
i. 0.015                    j. 18  
k. 0.507                    l. 6.95  
m. 94.6                    n. 0.073  
o. 0.002                   p. 7.6

### Part B

9. Round each number to the nearest hundredth.  
a. 3.6747                      b. 176.048

10. Add the following decimals.

$$\begin{array}{r} \text{a. } 58.92 \\ + 31.24 \\ \hline \end{array}$$

$$\begin{array}{r} \text{b. } 325.504 \\ + 6.157 \\ \hline \end{array}$$

11. Subtract the following decimals.

$$\begin{array}{r} \text{a. } 253.61 \\ - 28.9 \\ \hline \end{array}$$

$$\begin{array}{r} \text{b. } 92.5 \\ - 14.287 \\ \hline \end{array}$$

12. Multiply the following decimals.

$$\begin{array}{r} \text{a. } 14.7 \\ \times 0.6 \\ \hline \end{array}$$

$$\begin{array}{r} \text{b. } 3.51 \\ \times 0.03 \\ \hline \end{array}$$

13. Divide the following decimals. Round your answers to the nearest hundredth.

$$\text{a. } 2.7 \overline{)8.371}$$

$$\text{b. } 0.062 \overline{)0.48}$$

14. Write as decimals. Round your answers to the nearest hundredth.

$$\text{a. } \frac{3}{4}$$

$$\text{b. } \frac{6}{9}$$

15. Write these decimals as fractions in lowest terms.

$$\text{a. } 0.375$$

$$\text{b. } 0.05$$

16. Write each percent as a decimal.

$$\text{a. } 125\%$$

$$\text{b. } 7\%$$

17. Write each decimal as a percent.

$$\text{a. } 5.36$$

$$\text{b. } 0.084$$

18. Find the following percentages.

$$\text{a. } 35\% \text{ of } 60$$

$$\text{b. } 12.75\% \text{ of } 200$$

### Part C

The following table shows how much of an employee's weekly pay is deducted for income tax.



Weekly Income Tax Deductions			
Taxable Income	Net Claim Code		
	1	2	3
146.00-147.99	7.70	5.80	2.45
148.00-149.99	8.25	6.35	3.00
150.00-151.99	8.80	6.90	3.50
152.00-153.99	9.35	7.45	4.00
154.00-155.99	9.90	7.95	4.50
156.00-157.99	10.40	8.50	5.05
158.00-159.99	10.95	9.05	5.60
160.00-161.99	11.50	9.60	6.15
162.00-163.99	12.05	10.15	6.70
164.00-165.99	12.60	10.70	7.25

19. If an employee's taxable income is \$160.50 per week, and his net claim code is 3, how much income tax is deducted?
20. If an employee's taxable income is \$148 per week, and her net claim code is 1, how much income tax is deducted?



Now go to the **Review** solutions in **Appendix A**.

If you had difficulty with the Review questions, you may need to go to Mathematics 14, Unit 1 for a more extensive review.

# Topic 1 Methods of Pay

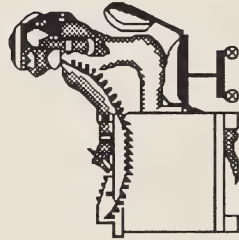
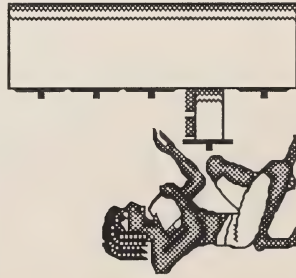


## Introduction

All people working for wages do not receive their pay in the same way. Wages can be paid out in one of the following ways:

- hourly – \$4.75/hour
- daily – \$100/day
- weekly – \$600/week
- monthly – \$2000/month
- yearly – \$25 000/year

In this topic, you will look at a number of different methods in which people get paid for their work.



## What Lies Ahead

Throughout the topic you will learn how to

1. identify and calculate hourly earnings
2. identify and calculate weekly earnings on a regular hourly rate and overtime hourly rate
3. define minimum wage and identify the current minimum wage
4. convert weekly, biweekly, semimonthly, and monthly salaries to annual salaries and vice versa
5. identify and calculate piecework earnings
6. identify and calculate commission earnings
7. identify and calculate bonus earnings
8. identify and calculate combination earnings

Now that you know what to expect, turn the page to begin your study of methods of pay.





## Exploring Topic 1

### Activity 1



Identify and calculate hourly earnings.

#### Hourly Pay

Many employees choose to pay employees a straight-time wage. The straight-time wage is based on paying the worker at a given rate for the time that they are working at the workplace. The unit of time can be an hour, a day, a week, or a month. Most employers do, however, pay their employees an hourly rate. An employee can calculate their straight-time wage by multiplying the number of hours worked by the rate of pay for each hour.



Straight-time pay = hourly rate  $\times$  hours worked

Look at the following examples to see how this formula is used.

#### Example 1

Randell paints for \$8.35 per hour. On Monday, he worked 8 hours. What was Randell's straight-time pay on Monday?

Solution:

Straight-time pay = hourly rate  $\times$  hours worked

$$= \$8.35 / h \times 8h$$

$$= \$66.80$$

Randell earned \$66.80 for painting on Monday.

#### Example 2

Roxanne Martin earns \$5.65 per hour as a clerk-typist. Roxanne worked  $38\frac{1}{2}$  hours last week. What was her straight-time pay for last week?

Solution:

Straight-time pay = hourly rate  $\times$  hours worked

$$= \$5.65 / h \times 38\frac{1}{2}h$$

$$= \$5.65 / h \times 38.5h$$

$$= \$217.525 = \$217.53$$

Roxanne earned \$217.53 for last week's work.

### Example 3

Roger Hillard earns \$9.45 per hour as a driving instructor. What is his straight-time pay for this week?

Mon.	Tues.	Wed.	Thurs.	Fri.
7 h	6.5 h	8 h	8.5 h	7 h

Solution:

Step 1: Determine the total number of hours that Roger worked in the entire week.

$$7 + 6.5 + 8 + 8.5 + 7 = 37 \text{ hours}$$

$$\begin{aligned} \text{Step 2: Straight-time pay} &= \text{hourly rate} \times \text{hours worked} \\ &= \$9.45/\text{h} \times 37\text{h} \\ &= \$349.65 \end{aligned}$$

Roger's straight-time pay for the week was \$349.65.

Try some questions on your own now.

Complete at least one-half of the questions in number one, and do two of the remaining four questions.

- Determine the straight-time pay for each of the following. Round the answers to the nearest cent.

Employee	Reg Hourly Rate of Pay	Hours Worked	Straight-time Pay
a. Barrow, G.	\$10.25	40	
b. Rondeau, A.	\$ 4.85	22	
c. Skinner, T.	\$ 8.40	34 $\frac{1}{2}$	
d. Chan, R.	\$ 9.36	25 $\frac{1}{4}$	
e. MacAdam, J.	\$ 5.18	17 $\frac{3}{4}$	
f. Bruce, B.	\$ 6.75	32	

- Ray Stewart has a part-time job at a pet store. He works  $18\frac{1}{2}$  hours each week, earning \$4.75 per hour. What is his straight-time pay for a week?

- Jennifer Stanley was hired for the position of electrician. Calculate her straight-time pay for this week. See the ad below.

Monday	8 hours
Tuesday	7.5 hours
Wednesday	7.5 hours
Thursday	6 hours
Friday	8 hours

#### Electricians

##### Prairie Road Apartments

Immediate opening for first class experienced electricians.  
\$15.65 per hour to start.  
Phone 786-7732.

- Edward Wilby earns \$9.65 per hour as a bookkeeper. What would his straight-time pay be if he worked  $36\frac{3}{4}$  hours last week?

- Rita Pohlko was hired by the All Alta Printing Company as a printer. Rita worked  $7\frac{3}{4}$  hours each day for the first week on the job, Monday to Friday. What was her total pay for the week? See the ad below.

#### All Alta Printing Company

Opening for dependable, experienced printer to run  
Lorex 1150 printing press.  
Start \$11.35/h. Call Ralph at 644-3279.



For solutions to Activity 1, turn to Appendix A,  
Topic 1.



## Activity 2



Identify and calculate weekly earnings on a regular hourly rate and overtime hourly rate.

## Example 4

Anthony Walker is paid \$7.70 per hour for a regular 40-hour week. Anthony is paid time and a half for any overtime. Last week, Anthony worked his regular 40 hours plus 6 hours of overtime. What is his total pay?

### Overtime Pay

There are occasions when employees are asked to work more than the agreed-upon number of hours in a day. These extra hours are simply called overtime and are usually calculated on a day-by-day basis. This means that overtime is calculated for each day that it occurs, without regard to the hours a worker is on the job on other days.

It is customary to pay for overtime at a rate known as time and a half, although individual firms may have other agreements with their employees. Time and a half simply means that an hour of overtime is paid for at a rate of one and one-half times the regular rate paid to that individual worker.

Workers sometimes receive double time which is two times their regular hourly rate for overtime work on Sundays and holidays. Your pay can be calculated by using the following formulas.



Overtime pay = overtime rate  $\times$  overtime hours worked  
Total pay = straight-time pay + overtime pay

Examine how they can be used.

Solution:

Step 1: Find the **straight-time pay**.

$$\begin{aligned}\text{Hourly rate} \times \text{regular hours worked} \\ \$7.70/\text{h} \times 40\text{h} &= \$308.00\end{aligned}$$

Step 2: Find the **overtime pay**.

$$\begin{aligned}\text{Overtime rate} \times \text{overtime hours worked} \\ (1\frac{1}{2} \times \$7.70)/\text{h} \times 6\text{h} \\ (1.5 \times \$7.70)/\text{h} \times 6\text{h} \\ \$11.55/\text{h} \times 6\text{h} &= \$69.30\end{aligned}$$

Step 3: Find the **total pay**.

$$\begin{aligned}\text{Straight-time pay} + \text{overtime pay} \\ \$308.00 + \$69.30 &= \$377.30\end{aligned}$$

The total pay is \$377.30.

Complete the following chart.

Jobs	Question	1.	2.	3.	4.
	Postal Worker	Gas Plant Operator	Clerk	Bank Teller	Machinist
Regular Hours	38	40	40	40	$37\frac{1}{2}$
Regular Hourly Rate	\$10.00	\$11.00	\$7.38	\$9.16	\$11.94
Straight-time Pay	\$380.00	a.	a.	a.	a.
Overtime Hours	9	0	6	3	$2\frac{1}{2}$
Overtime Rate $1.5 \times$	\$15.00	b.	b.	b.	b.
Overtime Pay	\$135.00	c.	c.	c.	c.
Total Pay	\$515.00	d.	d.	d.	d.

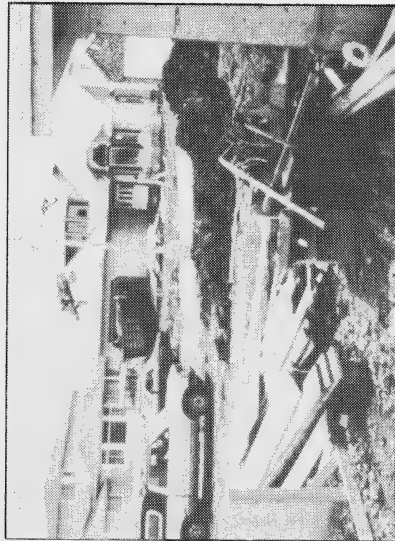
Now complete at least three of the questions from 5 to 10.

- Alaine Conner earns \$8.96 per hour as a telephone operator and is paid time and a half for overtime. Last week, Alaine worked 37 regular hours plus 7 hours overtime.
  - What is her overtime pay?
  - What is her total pay?
- Jeff Henning is a computer programmer earning a regular hourly rate of \$12.67 and double time for overtime. This week, Jeff worked 40 regular hours and 15 hours overtime.
  - What is his overtime pay?
  - What is his total pay?
- Wanda Ing designs newspaper ads for TXL Publishing. She is paid \$11.64 per hour for a 36-hour week and time and a half for overtime. What is Wanda's total pay for a week in which she worked 47 hours?
- Joe Blakely is employed at the Acme Manufacturing Company and earns \$9.56 per hour. He earns time and a half for overtime work on Saturdays and double time for overtime on Sundays. This week, Joe worked 40 hours from Monday to Friday, 7 hours on Saturday, and  $6\frac{1}{2}$  hours on Sunday. What is his total pay for the week?



9. Ruby Samuels works for Roland Construction earning \$8.27 per hour. She earns time and a half for all hours worked over 8 hours per day and double time on Saturday. What is her total pay for the week if she worked the following hours?

Monday	7 hours
Tuesday	10 hours
Wednesday	9 hours
Thursday	8 hours
Friday	12 hours
Saturday	7 hours



10. Many jobs pay overtime on a daily basis. Overtime pay may be given for all hours worked over 8 hours per day.

Richard Lemieux earns a regular hourly rate of \$7.10. He earns time and a half on all hours worked over 8 hours per day. What would his weekly pay be if he worked the following hours?

Monday	10 $\frac{1}{2}$ hours
Tuesday	7 hours
Wednesday	8 hours
Thursday	9 $\frac{1}{2}$ hours
Friday	12 hours



For solutions to Activity 2, turn to Appendix A, Topic 1.

## Activity 3



Define minimum wage and identify the current minimum wage.

### Minimum Wage

Minimum wage is the lowest hourly wage that an employer can legally pay an employee. In Canada, each province is responsible for establishing the minimum wage for all employees within its boundaries. In Alberta, the minimum wage (in 1988) for any employee 18 years of age or older is \$4.50 per hour. Full-time students under 18 years of age must be paid a minimum wage of \$4.00 per hour.

The following chart gives the minimum wage across Canada effective September, 1988.

Province	Minimum Wage
Yukon	\$4.75
Northwest Territories	\$5.00
British Columbia	\$4.00
Alberta	\$4.50
Saskatchewan	\$4.50
Manitoba	\$4.70
Ontario	\$4.55
Quebec	\$4.55
New Brunswick	\$4.00
Nova Scotia	\$4.00
Newfoundland	\$4.25
Prince Edward Island	\$4.00

Statistics Canada

Here is an example of how to use the chart.

### Example 5

Bernice Hagar works for a large fast-food chain. She works 38 hours per week at the minimum wage. Calculate her weekly wage in Alberta.

Solution:

Step 1: Find the **minimum wage** in Alberta.  
\$4.50 per hour

Step 2: Find the **straight-time pay at minimum wage**.  
Hourly rate  $\times$  hours worked  
\$4.50/h  $\times$  38h = \$171.00

Bernice earns \$171.00 per week.

Use the minimum wage chart at the beginning of Activity 3 to answer the following questions.

- Tom Cox is a carpenter's helper earning the minimum wage. Tom works a  $38\frac{1}{2}$  hour week.
  - Calculate his weekly earnings if he worked in Alberta.
  - Calculate his weekly earnings if he worked in Newfoundland.
  - Would Tom make more money per week in the Yukon or Saskatchewan? How much more?
- Ellen Naidu babysits for \$2.25 per hour. How much more would she have made in a week in which she babysat for 17 hours, if babysitting was covered by the minimum wage law of \$4.00 per hour?
- Larry Chung attends Crestwood High School full-time and works part-time for the local gas station. Larry just celebrated his 19th birthday. What would Larry's total weekly pay be if he received the minimum wage allowable in Alberta and worked 12.5 hours that week?



For solutions to Activity 3, turn to **Appendix A, Topic 1.**



## Activity 4



Convert weekly, biweekly, semimonthly, and monthly salaries to annual salaries and vice versa.

### Annual Salary

Annual salary is the amount of money earned per year. Your annual salary is determined by converting weekly, biweekly, semimonthly, and monthly earnings to yearly earnings.

Pay Period	Number of Pay Periods per Year
Weekly	52
Biweekly	26
Semimonthly	24
Monthly	12

every 2 weeks  
(52 weeks ÷ 2)  
twice a month  
(12 × 2)



Annual salary = pay per pay period × number of pay periods per year

## Example 6

Marcia Properzi earns \$465.00 per week as an accountant. What is her annual salary?

Solution:

$$\begin{aligned}\text{Annual salary} &= \text{pay per pay period} \times \text{number of pay periods per year} \\ &= \$465.00 \times 52 \\ &= \$24\,180.00\end{aligned}$$

She has an annual salary of \$24 180.00.

Do at least three of the following six questions.

Complete the following chart.

	Employee	Pay	Pay Periods	Pay Periods per Year	Annual Salary
1.	S.D. Dart	\$345.00	Weekly		
2.	D. T. Cham	\$2500.00	Monthly		
3.	R. L. Thom	\$675.00	Semi-monthly		
4.	W. A. Black	\$492.00	Biweekly		

5. Mark White receives \$567.50 biweekly. What is his annual salary?
6. Abel earns \$640.00 biweekly, and Brian earns \$680.00 semimonthly. Who earns the greater annual salary?



For solutions to **Activity 4**, turn to **Appendix A, Topic 1**.

This next section is the reverse procedure.

### Salary

If you were told your annual salary, you may want to know how much that would give you weekly, semimonthly, or monthly.

The amount of money earned on a regular basis is your **salary per pay period**. The total salary earned during a year is known as the **annual salary**.

To calculate your salary per pay period, you can use the following formula.



$$\frac{\text{Salary per pay period} = \text{annual salary}}{\text{number of pay periods per year}}$$

### Example 7

Albert Bonner works as a dolphin trainer earning an annual salary of \$28 400.00. What is his biweekly salary?

**Solution:**

**Step 1: Find the annual salary.**  
\$28 400.00

**Step 2: Find the number of pay periods per year.**  
26

**Step 3: Find the salary per pay period.**  
Annual salary ÷ number of pay periods per year

$$\$28\,400.00 \div 26 = \$1092.31$$

Albert's biweekly salary is \$1092.31.



Pay Period	Number of Pay Periods per Year
Weekly	52
Biweekly	26
Semimonthly	24
Monthly	12



Do at least the even-numbered questions.

Complete the following chart.

Employee	Annual Salary	Pay Periods	Pay Periods per Year	Salary Per Pay Period
R. B. Turner	\$21 780.00	semimonthly	24	\$907.50
7. S. M. Gandhi	\$44 125.00	biweekly		
8. L. R. Chabot	\$29 638.00	monthly		
9. M. D. Toberg	\$37 900.00	weekly		
10. E. A. Eller	\$16 800.00	semimonthly		

- Allison Wickum was recently hired as a political analyst by the local paper. Her starting salary is \$28 754.00 per year. Calculate her biweekly salary.
- Trevor McNiel is a meatcutter with an annual salary of \$32 568.00. What is his weekly salary?
- Robynn Daniels had been paid a semimonthly salary of \$1510.42. Johnson's Aeronautics computerized its payroll system and began paying its employees on a biweekly basis. What is Robynn's biweekly salary?
- Matthew Tyson works as an assistant manager at Acme Clothing Store. He earns \$21 360.00 per year. The head office has offered Matthew a manager's position paying \$29 730.00 per year. How much more, per week, will Matthew make as a manager?



For solutions to Activity 4, turn to **Appendix A, Topic 1.**

**Hint:** Find Robynn's annual salary first.

## Activity 5



Identify and calculate piecework earnings.

### Piecework Wages

As its name indicates, piecework wages involve paying the worker at a rate based upon the number of pieces the worker produces. The worker and employer agree upon the rate and upon any other conditions that may apply. Both worker and employer have an idea of approximately how much money the worker will earn, and approximately how many pieces will be produced in a given time.

In order for workers to be paid by the piecework method, the pieces must be easily recognized and counted.

The following formula can be used to calculate the pay for work done on a piecework basis.



$$\text{Total pay} = \text{rate per item} \times \text{number of items}$$

### Example 8

Sylvia Andrews is a custom typist typing term papers, resumes, and other work for \$1.85 per finished page. Sylvia has just completed a university term paper for Alex Kurtz. The term paper was 34 pages when completed. What was Sylvia paid for typing this term paper?

Solution:

Step 1: Find the **rate per page**.  
\$1.85

Step 2: Find the **number of items**.  
34 pages

Step 3: Find the **total pay**.

$$\begin{aligned} &\text{Rate per item} \times \text{number of items} \\ &\$1.85 \times 34 = \$62.90 \end{aligned}$$

Sylvia's pay for the term paper was \$62.90.

See if you can do the questions which follow.

Determine the total pay for each of the following.

Employee	Rate Per Item	Number of Items	Total Pay
1. Berry, L.	\$0.72	264	
2. Frogett, S.	\$0.08	1126	
3. Friesen, B.	\$0.56	317	

4. Marcia Gagne works on a piecework basis as a silverware plater. Marcia earns \$1.16 per item plated. How much would she earn if 396 items were plated?



5. Donald Peese works on a computer assembly line inserting computer chips. Donald is paid 4¢ for each computer chip put into place. Calculate his weekly earnings given the number of chips inserted per day.

Monday	2436
Tuesday	1758
Wednesday	1996
Thursday	2008
Friday	2167

6. Ingrid Halstrom delivers newspapers for the Barrhead Gazette. She receives 9¢ for every daily paper delivered and 23¢ for each Sunday paper. What is Ingrid's pay for a week in which she delivers 74 Sunday papers and 240 daily papers?

7. Ray Costley makes camera batteries for Taiwan Electronics. He is paid \$0.82 for each battery produced. Calculate Ray's pay for a week in which he makes 692 batteries.



For solutions to **Activity 5**, turn to **Appendix A**, **Topic 1**.

If you were paid per question correct, how would you be doing? If you are doing well, keep going!

## Activity 6



Identify and calculate commission earnings.

### Commission

A **commission**, in the business world, is a percentage of the sales price of a product or service which is paid to the salesperson as a wage for selling the product or service.

Commission resembles piecework wages in that payment is calculated on the amount of sales.

Because the actual amount of commission is calculated on each individual sale, commissions can be used in a wide variety of selling situations. In some cases, the salesperson will rely entirely upon commissions for a living. This salesperson would be working on **straight commission**. The following formula can be used to calculate the pay done on a commission basis.



$$\text{Commission} = \text{commission rate} \times \text{total sales}$$

Study the examples that follow.

### Example 9

Jessica Renfrew is a real estate agent for Hover Brothers. She receives 3% commission from every house or parcel of land that she sells. What is Jessica's commission on the sale of an \$82 600.00 house?

**Solution:**

$$\begin{aligned}\text{Commission} &= \text{commission rate} \times \text{total sales} \\ &= 3\% \times \$82\,600.00 \quad (\text{Remember, } 3\% \text{ is the same as } 0.03.) \\ &= 0.03 \times \$82\,600.00 \\ &= \$2478.00\end{aligned}$$

Jessica's commission is \$2478.00.

### Example 10

Otis Brown sells household cleaner door-to-door at a  $12\frac{1}{2}\%$  straight commission. Last month, Otis sold \$5865.00 worth of household cleaner. What was his commission?

**Solution:**

$$\begin{aligned}\text{Step 1: Find the commission rate.} \\ 12\frac{1}{2}\%\end{aligned}$$

$$\begin{aligned}\text{Step 2: Find the total sales.} \\ \$5865.00\end{aligned}$$

**Step 3: Find the commission.**

$$\begin{aligned}\text{Commission rate} \times \text{total sales} \\ 12\frac{1}{2}\% \times \$5865.00 \\ 0.125 \times \$5865.00 = \$733.13\end{aligned}$$

Otis's pay for the month was \$733.13.

It is your move! Try the questions which follow.

Do at least one question from each part.

Complete the following tables.

Part A

	Position	Amount of Commission Per Item	Number	Commission
1.	Door-to-Door Salesperson	\$2.50	38	
2.	Vacuum Cleaner Sales	\$96.00	3	
3.	Sewing Machine Sales	\$125.00	12	



# Part B

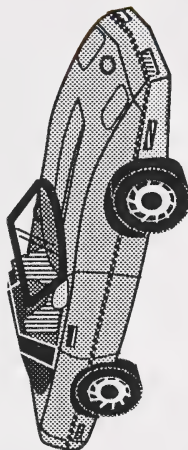
Position	Commission Rate	Total Sales	Commission
4. Automobile Sales	3%	\$27 680.00	
5. Magazine Sales	15%	\$643.00	
6. Jewellery Sales	22%	\$7156.00	
7. Farm Equipment Sales	2%	\$169 400.00	

9.

## Honest Al's Auto Sales

Earn good commissions selling quality, new vehicles.  
Call 555-7272.

Henry Jones receives a 4% straight commission for selling new cars for Honest Al's. How much would Henry earn for selling a \$17 820.00 midsize car?



# Part C

8. Ellen Mah sells encyclopedias during the summer, earning a  $14\frac{1}{2}\%$  straight commission. Ellen sold \$4390.00 worth of encyclopedias last week. How much did she earn for the week?



10. Heather Lockhart sells kitchen appliances for a major department store. Heather is paid \$3.50 for each small appliance she sells and \$72.00 for each large appliance. What would Heather earn for a week in which she sold 68 small appliances and 8 large kitchen appliances?



For solutions to Activity 6, turn to Appendix A, Topic 1.

Do you understand the basic commission? The next section takes commission a step further.

## Graduated Commission

Companies often pay salespeople higher commissions as sales increase. The company establishes various levels of sales and will pay a different rate of commission at each level. The graduated commission encourages salespeople to increase their sales. Total graduated commission can be calculated by using the following formula.



Total graduated commission = sum of commissions for all levels of sales

Carefully work through this example.

### Example 11

Thomas Gardner sells used cars for Grandview Motors. He receives a graduated commission of 3% on his first \$50 000 of sales, 4% on the next \$25 000, and 5% on sales over \$75 000 for a month. Thomas sold \$90 000 worth of cars last month. What was his commission for the month?

**Solution:**

Step 1: Find the commission for all levels of sales.

Commission rate  $\times$  sales

$$\text{First } \$50\,000: 3\% \times \$50\,000 = \$1500$$

$$\text{Next } \$25\,000: 4\% \times \$25\,000 = \$1000$$

$$\text{Over } \$75\,000: 5\% \times (\$90\,000 - \$75\,000) \\ 5\% \text{ of } \$15\,000 = \$750$$

Step 2: Find the total graduated commission.

Sum of commissions for all levels of sales  
 $\$1500 + \$1000 + \$750 = \$3250$

His commission for the month was \$3250.

Try the following questions.

Do at least one question from each part.

Complete the chart.

Part D

	Amount of Sales	\$7800	\$10 300	\$4320	\$11 600
		Commission			
11.	First \$6500: 7%	\$455.00	a.	b.	c.
12.	Next \$3000: 12%	\$156.00	a.	b.	c.
13.	Over \$9500: 15%	\$ 0.00	a.	b.	c.
14.	Total Commission	\$611.00	a.	b.	c.



## Activity 7

15. Alice Hillar demonstrates computer software at computer conventions. She is paid \$5.00 each for the first 20 demonstrations in one day and \$8.50 for each demonstration over 20. How much would Alice earn for a day in which she gave 46 demonstrations?

16. Bob Johnson sells fax machines for Intercontinental Business Systems. He is paid a graduated commission of 4% on the first \$3500 in sales during a week and  $6\frac{1}{2}\%$  on all sales over \$3500. Calculate his earnings for a week in which Bob sold \$13 640 worth of hardware.

17. Marjorie Adams sells cigarettes for a large tobacco firm. She receives an 8% commission on the first \$5000 in sales for a month,  $12\frac{1}{2}\%$  on the next \$6500, and 16% on sales over \$11 500. What is her commission on \$17 250 in sales for a month?



For solutions to Activity 6, turn to Appendix A, Topic 1.



Identify and calculate bonus earnings.

## Bonuses

A bonus is an amount of pay given to an employee for exceptional work. The bonus added on to the regular pay can be either a fixed amount of cash or a percentage of sales achieved by the employee. To determine your pay if you earn a bonus, use the following formula.



$$\text{Earnings} = \text{regular pay} + \text{bonus}$$

The next examples show you how to use the formula.

## Example 12

George Renfrew is a mine supervisor for a large gold mining company, earning a monthly income of \$4200.00. Production increases at the mine resulted in management issuing each employee a bonus of \$650.00. How much did George earn that month?

Solution:

$$\begin{aligned} \text{Earnings} &= \text{regular pay} + \text{bonus} \\ &= \$4200.00 + \$650.00 \\ &= \$4850.00 \end{aligned}$$

George received \$4850.00.

## Example 13

Becky Allcott sells photocopyers. She receives a 4% commission for each photocopyier sold. Becky had an exceptional month of sales in July with sales totalling \$65 750.00. The company decided to award Becky a  $1\frac{1}{2}\%$  bonus on her sales for July. How much did Becky earn in the month of July?

Solution:

$$\begin{aligned}
 \text{Earnings} &= \text{regular pay} + \text{bonus} \\
 &= (4\% \times \$65\,750.00) + (1\frac{1}{2}\% \times \$65\,750.00) \\
 &= (0.04 \times \$65\,750.00) + (0.015 \times \$65\,750.00) \\
 &= \$2630.00 + \$986.25 \\
 &= \$3616.25
 \end{aligned}$$

Becky earned \$3616.25 in July.

Do the following questions.

Complete the chart.

Person	Wage	Bonus	Earnings
1. Abe	\$325.00	\$38.00	
2. Betty	\$418.00	2%	
3. Carl	\$407.00	$3\frac{1}{2}\%$	

4. a. Troy Hunter is a sales representative for Lois O' Muffins. Troy receives a 9% commission on all sales and was awarded a bonus of  $4\frac{1}{2}\%$  on all sales at the end of the year. What was his annual salary in a year in which he had sales totalling \$243 180.00?

- b. What would Troy's salary be in a year in which he had \$318 772.00 in sales?



For solutions to Activity 7, turn to Appendix A, Topic 1.

The next section puts all the pay methods together.

## Activity 8



Identify and calculate combination earnings.

## Combinations

Employees can earn wages based on a combination of the different pay methods that have been dealt with previously in this topic. Many employers pay sales staff a minimum wage plus commission. The following formula can be used.



Total pay = sum of different pay methods



Look at some examples to see how these methods mix.

### Example 14

Debra Gilholme is a short-order cook earning \$4.50 per hour plus \$0.25 for each order she prepares. On Thursday, Debra worked 7 hours and prepared 115 orders. How much did she earn on Thursday?

Solution:

$$\begin{aligned}\text{Total pay} &= \text{sum of different pay methods} \\ &= \text{hourly pay} + \text{piecework} \\ &= (\$4.50/h \times 7 h) + (115 \times \$0.25) \\ &= \$31.50 + \$28.75 \\ &= \$60.25\end{aligned}$$

Debra earned \$60.25 on Thursday.

### Example 15

Red Adaire sells all-terrain vehicles, earning \$1800 per month plus an  $8\frac{1}{2}\%$  commission on all vehicles sold. In October, Red sold \$36 340.00 worth of all-terrain vehicles. Calculate his total earnings for the month.

Solution:

$$\begin{aligned}\text{Total pay} &= \text{sum of different pay methods} \\ &= \text{monthly pay} + \text{commission} \\ &= \$1800.00 + (8.5\% \times \$36\,340.00) \\ &= \$1800.00 + (0.085 \times \$36\,340.00) \\ &= \$1800.00 + \$3088.90 \\ &= \$4888.90\end{aligned}$$

Red earned \$4888.90 in October.

Do two or more of the following four questions.

1. Tom Crib sells records. He earns \$4.80 per hour plus \$1.50 for each record sold. On Friday, he worked for  $7\frac{1}{2}$  hours and sold 39 records. How much did he earn?
2. Arthur Fox sells hats. He earns \$45.00 per day plus 3% commission on sales. Over a 5-day week, his sales totalled \$2500.00. How much did he earn for the week?
3. Audrey Nexus sells cosmetics at Faces Galore. She is guaranteed \$4.75 per hour plus 1.25% of her total sales. During the week of September 6th, Audrey worked 43 hours and sold \$1235.00 worth of cosmetics. What were her total earnings for the week?
4. Scott Edmunds sells video tapes for Entertainment Etc. His pay includes an hourly rate of \$5.18 per hour with time and a half for all hours over  $37\frac{1}{4}$  plus 3.6% commission on all sales. Calculate Scott's earnings for a week in which he worked 43 hours and sold \$5673.00 worth of video tapes.



For solutions to **Activity 8**, turn to **Appendix A**, **Topic 1**.

If you require help, do the Extra Help section.

If you want more challenging explorations, do the Extensions section.

} You may decide to do both.



## Extra Help

All people expect to get paid for work that they do for another person or a company. Occasionally a person will perform a service as a favour for some other person, but for all practical purposes, people usually expect to get a payment of money for their efforts.

In this section, you will review various methods by which these monetary payments are handled. These methods fall into three categories: piece-rate wages, commissions, and time-rate wages. All wage payments are based on these methods or some combination or modification of these three methods.

### Advantages of the Piece-Rate System

The piece-rate system has several advantages. The following are examples:

- Workers' wages are based upon their individual efforts. A fast or industrious worker will usually receive more money than a slower worker.
- The wages are easily calculated since the work consists of individual units.

- The work force can vary from day to day. (This factor is more applicable to such tasks as fruit-picking where people work for only a few days for an individual grower. It does not apply to a factory where people generally work continuously.)

- The individual workers have a greater feeling of independence, being their own boss, capable of moving from one place or job to another, whenever they feel like doing so.

### Disadvantages of the Piece-Rate System

There are, however, several disadvantages to the piece-rate system. Some examples of these disadvantages are as follows:

- Competition among the workers can force the price per unit, and hence, wages in general, downward.
- Units of work must be identical in size, or very nearly so.
- Units must be self-contained. That is, a worker must be able to complete an entire unit alone.
- The work force must be mobile and capable of moving to another job on short notice. Frequently, piece-work is taken on a part-time basis, where the workers rely on some other activity for part of their wages.

The disadvantages of the piece-rate system are so great that it is usually used for relatively small groups of people. Most people earn their living on a commission or on a time-rate basis.

#### Advantages of the Commission System

There are several advantages of the commission system. Some of these advantages are as follows:

- Usually, the person who puts in more effort receives higher pay.
- The system can be applied to a small number of sales. It is not dependent upon volume selling.
- While many sales organizations require offices, in general, the overhead is small. Some salespeople have little more than a nice suit of clothes and a good automobile.

#### Disadvantages of the Commission System

As with other systems, there are some disadvantages to the commission system of paying wages.

- Sales can be widely spaced in time. Thus, the salesperson should have some financial reserves to live on between sales.
- While an individual sale may create a large commission, in a whole year the total amount of commission may not be as large as had been anticipated.
- A salesperson can go to much trouble and expense trying to make a sale. If the prospective buyer decides against the purchase at the last moment, the salesperson has simply lost what money has been put into making the deal.

- The system is too cumbersome for volume sales. While retail stores add an amount called the markup to the price of each item they sell, they seldom pay their sales staff on the basis of a commission. They usually pay their staff on a fixed basis, usually by the month, and adjust the markup to cover these wages and any other expenses the store may incur.

#### Simple Time-Rate Wages

The time-rate wage is based on paying a worker at a given rate for the time the worker is actually present at the place of work. It assumes that the worker is busy at the job at all times. It also assumes that the management has some right to move workers from one area to another, within the workplace, to ensure that all the workers will be reasonably busy at all times.

The unit of time can be an hour, a day, a week, a month, or a year. By far, the most commonly used unit is the hour so you will only consider hourly rates.

The basic wages earned by the worker are found by multiplying the number of hours worked by the rate of pay for each hour.

The required number of hours of work in a week can vary from one business to another, and there is a general trend for shorter work weeks. That is, there are fewer days or less hours per day. However, the 5-day, 40-hour week is used extensively so you will use this system.



Now do either the odd- or even-numbered questions. You may try all of them.

1. The Moderne Drapery Shoppe advertises drapery materials, ready-made drapes, and made-to-measure drapes. They have an agreement with Mrs. Brown to pay her \$26 for each set of drapes she has to make. In the month of February, week by week, she made the following numbers of sets.

February 1 - 6	6 sets
February 8 - 13	10 sets
February 15 - 20	9 sets
February 22 - 27	7 sets

- a. How many sets of drapes did Mrs. Brown make in the month of February?
- b. How much did the store pay Mrs. Brown for her work in February?

2. Joe Sparks, the town electrician, quotes his rate for wiring a house as being \$16.50 per outlet. He describes an outlet as being a switch, a wall receptacle, or a ceiling light. Individual lighting fixtures and major appliances must be purchased as extras, and any special wiring for such major appliances would also be extra to the price.

Bill and Margaret Williams are planning to build a new home and want the following set of outlets:

Kitchen	6 outlets
Living room	6 outlets
3 bedrooms	5 outlets in each
Bathroom	2 outlets

Hallway	3 outlets
Basement	3 outlets
Exterior of house	3 outlets.

At \$16.50 per outlet, how much would it cost to get Joe to wire their house?

3. Grant Pigeon sells automobiles for the Ajax Car Company. In one month, he sold a Super Eight for \$17 350, a Snappy Six for \$8240 and a truck chassis for \$10 250. If he is paid a commission of 7.5% on his sales, how much money did he make in this month?
4. a. Farmer Ed decided to have an auction sale. He hired Bill Barker as the auctioneer at a 5% commission. If the total sales were \$23 600, what was Bill Barker's commission?
- b. How much did Farmer Ed actually receive from his auction sale?
5. Barry Douve works for the Acme Manufacturing Company at the rate of \$6.75 per hour.
  - a. How much will he earn in an 8-hour day?
  - b. At this rate, how much would he earn in a week of 5 working days?
6. Joan Questner is also employed by the Acme Manufacturing Company at a rate of \$5.75 per hour.
  - a. What are her earnings for an 8-hour day?
  - b. What are her earnings for a 40-hour week?



For solutions to **Extra Help**, turn to **Appendix A, Topic 1**.



## Extensions

### The Time Clock

Some establishments use a time clock to record the time the workers are on the job. A time clock is a specially-made clock which will print the time upon a special card whenever that card is inserted into the clock. Each employee has a card and inserts it into the clock when entering or leaving the place of work. The clock automatically changes the place it prints on the card each day of the week. So, at the end of a week, each employee has a record of the times of arrival and departure. The management has a timekeeper who keeps a record of these times and provides the accountant with a copy of this record so proper payment of wages can be made to each individual employee.

Employees are sometimes allowed a quarter of an hour grace in arriving late or in leaving early. Beyond this grace period, the employee will lose time. That is, an employee can arrive a quarter of an hour late and still obtain the wages for a full day. If an employee is more than a quarter of an hour late, the time will be reduced to the nearest quarter of an hour. If the employee must leave earlier than the normal quitting time, at either noon or in the afternoon, time will also be lost.

All overtime must be authorized by a supervisor who signifies such authorization by initialling the individual employee's card.

Overtime can only occur before the regular work period, at lunch hour, after work, or on Saturdays or Sundays. Time is taken to the nearest quarter hour in all cases.

### Time in General

Methods of recording time were first developed centuries ago by a nation which used a system of numerals based on the number 60. Thus, a system using 60 seconds in each minute and 60 minutes in each hour was developed. Early clockmakers divided their clock faces into 12, rather than the 24 hours that exist in a day.

In writing these units, you write the hour, then the minutes, and then the seconds. Seconds are very small units of time, and a time clock usually will not print such units.

Time clocks print the hour, then a colon, and then the number of minutes that have elapsed since the hour. For example,

3:05 is 5 minutes after 3 o'clock,

12:32 is 32 minutes after 12 o'clock, and

7:59 is 59 minutes after 7 o'clock.

### Calculation of Elapsed Time

Time clocks only print the time when the card is inserted into the clock. The employee puts the card in when arriving at work and when departing. The actual time that the employee is at work is calculated by the payroll clerk. This involves simple subtraction.

### Example 16

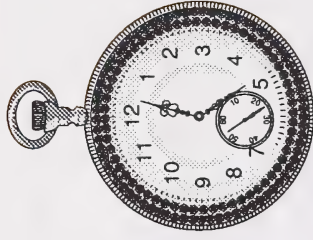
An employee comes to work at 8:32 and leaves at 11:47. How long did this person work that morning?

Solution:

$$\begin{array}{r} 11:47 \\ - 8:32 \\ \hline 3:15 \end{array}$$

The employee worked 3 hours and 15 minutes.

As in any ordinary subtraction, when the subtrahend is greater than the minuend, you can borrow from the next greater unit. Remember, one hour is 60 minutes.



### Example 17

An employee comes to work at 8:08 and leaves at 12:05. How long did this person work that morning?

Solution:

$$\begin{array}{r} 12:05 \\ - 8:08 \\ \hline \end{array} \quad \begin{array}{l} \text{becomes} \\ 11:65 \\ - 8:08 \\ \hline 3:57 \end{array}$$

This employee worked 3 hours and 57 minutes.





## Rounding of Numbers

Rounding of numbers has been discussed in previous lessons in this course. It is done, primarily, to eliminate numbers which have little bearing on the final result.

Time clocks print the time to the nearest minute, but payroll clerks round time to the nearest  $\frac{1}{4}$  hour, to make the calculations more convenient.

In this section, you will round the time to the nearest  $\frac{1}{4}$  hour before doing any other calculation. Each employer will have an individual procedure for determining an employee's time.

As you are rounding to the nearest  $\frac{1}{4}$  hour, your basic quantity is  $\frac{1}{4}$  hour or 15 minutes. One half of 15 minutes is  $7\frac{1}{2}$  minutes, but the time clock will only print whole minutes.

If the additional time is 7 or fewer minutes, then nothing is added to the number of quarter hours in the total time unit. If the additional time is 8 or more minutes, then an extra quarter hour is added to the number of quarter hours being considered. Quarter hours fall at 0, 15, 30, or 45 minutes after the hour.

## Example 18

A time clock prints a time of 8:36. Round this to the nearest quarter hour.

Solution:

The next smaller quarter hour is at 8:30 which is  $8\frac{3}{4}$  or  $8\frac{1}{2}$  hours.

$$\begin{array}{r} 8:36 \\ - 8:30 \\ \hline :06 \end{array}$$

The additional time is 6 minutes, which is less than  $7\frac{1}{2}$  minutes, so nothing is added to the  $8\frac{1}{2}$  hours. You have a time of  $8\frac{1}{2}$  hours.

## Example 19

Another time clock prints a time of 5:58. Round this to the nearest quarter hour.

Solution:

The next smaller quarter hour is at 5:45 or  $5\frac{3}{4}$  hours.

$$\begin{array}{r} 5:58 \\ - 5:45 \\ \hline :13 \end{array}$$

The additional time is 13 minutes, which is more than  $7\frac{1}{2}$  minutes. Therefore,  $\frac{1}{4}$  is added to the  $5\frac{3}{4}$  hours.  $5\frac{3}{4} + \frac{1}{4} = 6$  hours.

The basic rule for rounding holds that if the quantity being considered is half or more than half of the basic quantity, then one unit is added to that basic quantity.

Payroll clerks use rounding to convert the times printed by the time clock into fractional values which can then be added or subtracted like any other fractional value.

### Example 20

A group of times has been set out as might be printed by a time clock. You are to round those times to the nearest quarter hour, subtract to find the time the person worked in the morning and in the afternoon, and then add those times to find the time worked for the whole day.

Time Clock	To nearest $\frac{1}{4}$ hour	Subtract the start time from the finish time	Net time for half day	Time for full day
Morning 7:59 12:01 Afternoon 1:03 4:05				
Morning 8:04 11:59 Afternoon 1:01 5:22				
Morning 8:10 11:56 Afternoon 1:05 4:35				

Solution:

Time Clock	To nearest $\frac{1}{4}$ hour	Subtract the start time from the finish time	Net time for half day	Time for full day
Morning 7:59 12:01 Afternoon 1:03 4:05	8 12 1 4	12 - 8 4 - 1	4 hours 3 hours	7 hours
Morning 8:04 11:59 Afternoon 1:01 5:22	8 12 1 5 $\frac{1}{4}$	12 - 8 5 $\frac{1}{4}$ - 1	4 hours 4 $\frac{1}{4}$ hours	8 $\frac{1}{4}$ hours
Morning 8:10 11:56 Afternoon 1:05 4:35	8 $\frac{1}{4}$ 12 1 4 $\frac{1}{2}$	12 - 8 $\frac{1}{4}$ 4 $\frac{1}{2}$ - 1	3 $\frac{3}{4}$ hours 3 $\frac{1}{2}$ hours	7 $\frac{1}{4}$ hours

As can be readily seen, the use of a time clock is a complicated procedure, so many small businesses do not bother with it. In such small businesses, a worker would report directly to the owner of the business, or possibly to a manager or supervisor.

Worker and owner would thus come to some agreement on the time the worker was on the job and, having previously agreed on the rate of hourly wage, they would agree on the wages to be paid.

In this section, the assumption is being made that a time clock is being used and that each worker has a time card.

### Time Cards

Following is an example of a time card. Each manufacturer of time clocks has an individual set of cards, so different clocks may mark the cards in somewhat different ways.

Also, most time cards will be much smaller than the one shown. The example is larger than normal to make it easier for you to see what is recorded.

Note that the employee's name, number, and department and the date have been typed in by the clerical staff. Calculated quantities are written in as it is assumed that the payroll clerk will calculate these quantities and write them in by hand.

In the following example, a time card has been completed in the way a timekeeper would before giving it to the firm's accountant.

Name <u>Jimmy Sheaver</u> Number <u>32342</u> Department <u>Manufacturing</u> Week Ending <u>July 27, 1984</u>									
Day	Morning		Afternoon		Overtime		Hours		
	In	Out	In	Out	In	Out			
Mon	8:00	11:56	12:55	5:01					8
Tues	8:03	12:01	1:00	5:00					8
Wed	8:05	11:59	1:04	4:53					8
Thur	7:57	11:59	1:06	5:07	5:08	6:10			8+1
Fri	7:55	12:05	12:57	4:20					7 $\frac{1}{4}$
Sat									
Sun									

R. L.	Hours		Rate	Amount
	Regular	39 $\frac{1}{4}$	\$5.60	\$219.80
	Overtime	1	\$8.40	\$8.40
	Total Hours		Total Earnings	
	40 $\frac{1}{4}$		\$228.20	



Now try a few of the following questions.

In each case, a normal workday is to be from 8 a.m. to 12 p.m. and from 1 p.m. to 5 p.m. Additional time worked in a day will be overtime at a rate of time and a half.

1. Perform the simple subtraction as indicated in each case, borrowing from the hours if necessary.

a. 
$$\begin{array}{r} 10:50 \\ - 4:42 \\ \hline \end{array}$$

b. 
$$\begin{array}{r} 8:32 \\ - 8:15 \\ \hline \end{array}$$

c. 
$$\begin{array}{r} 5:52 \\ - 3:27 \\ \hline \end{array}$$

d. 
$$\begin{array}{r} 11:17 \\ - 8:56 \\ \hline \end{array}$$

e. 
$$\begin{array}{r} 9:35 \\ - 5:53 \\ \hline \end{array}$$

2. In the following exercise, round each given time to the nearest quarter hour by filling in the blanks in the chart.

Given Time	Next smaller quarter hour	Subtraction	Is it more or less than $7\frac{1}{2}$ min?	Time rounded to nearest quarter hour
2:31	2:30	$\begin{array}{r} 2:31 \\ - 2:30 \\ \hline :01 \end{array}$	less	$2\frac{1}{2}$
a. 9:17				
b. 11:52				
c. 4:29				

3. Complete each of the following time cards by filling in the daily and total weekly time for each worker. Include overtime if it exists, and calculate the total earnings in each case.

a.

Name <u>Ming Chan</u>											
Number <u>21717</u>											
Department <u>Manufacturing</u>											
Week Ending <u>July 27, 1984</u>											
Day	Morning		Afternoon		Overtime		Hours				
	In	Out	In	Out	In	Out					
Mon	8:00	12:00	1:00	5:00							
Tues	8:01	12:01	12:59	4:56							
Wed	7:59	12:02	1:01	4:59							
Thur	8:03	12:01	1:02	5:03							
Fri	7:59	12:02	1:00	5:00							
Sat											
Sun											
							Regular	Hours	Rate	Amount	
							Overtime				
							Total Hours	Total Earnings			

b.

Name <u>Sylvia Marianchuk</u>											
Number <u>11719</u>											
Department <u>Shipping</u>											
Week Ending <u>July 27, 1984</u>											
Day	Morning		Afternoon		Overtime		Hours				
	In	Out	In	Out	In	Out					
Mon	8:00	12:01	1:03	3:30							
Tues	8:01	11:59	1:01	5:00	5:01	6:00					
Wed	8:00	12:01	1:00	5:00	5:00	5:30					
Thur	8:00	12:00	1:00	2:30							
Fri	7:59	11:59	1:00	5:00							
Sat											
Sun											
K. L.							Regular	Hours	Rate	Amount	
							Overtime				
							Total Hours	Total Earnings			



For solutions to Extensions, turn to Appendix A, Topic 1.

# Topic 2 Net Weekly Wages



## Introduction

Part of your earnings gets eaten away by invisible sources. What happens to all of your earnings?

In Canada, companies are required by law to deduct certain sums of money from each employee's salary. The record of the salaries and deductions for the employees of a given company is called the **payroll**.

Most companies pay their employees by cheque. Along with each cheque, they give the employee a statement of earnings and deductions.

The most common deductions that are made from a person's wages are for Unemployment Insurance, Canada Pension Plan, and income tax. Some other deductions may be retirement pension, disability insurance, and medical insurance.



## What Lies Ahead

Throughout the topic you will learn how to

1. identify possible deductions such as Unemployment Insurance, Canada Pension Plan, and income tax
2. calculate net wages based on deductions
3. interpret records of employment income

Now that you know what to expect, turn the page to begin your study of net weekly wages.





## Exploring Topic 2

### Activity 1



Identify possible deductions such as Unemployment Insurance, Canada Pension Plan, and income tax.

#### Unemployment Insurance

Unemployment Insurance, abbreviated U.I., is a premium paid by the employee and employer into a government fund. The amount paid depends upon the employee's wages. Employees who lose their jobs can, in many cases, apply to the Unemployment Insurance Commission for payments of money. Unemployment Insurance benefits are intended to enable people to maintain a reasonable standard of living until they are able to find a job.

The U.I.C. premium is calculated at 2.35% of the wages for each worker.

The employer must withhold the basic deduction from the employee's wages and add a premium to it. The employer's premium for wage earners is calculated as being 1.4 times the individual worker's premiums.

$$\text{U.I.C. premium} = \text{gross pay} \times 2.35\%$$



The following example shows the calculation of U.I.C.

### Example 1

Sandy Wasniuk earns \$843.46 every two weeks. Calculate the U.I.C. premium she must pay out on every biweekly cheque.

Solution:

Step 1: Find the gross pay.  
\$843.46

Step 2: Find the U.I.C. rate.  
2.35%

Step 3: Find the U.I.C. premium for this pay period.  
 $\text{Gross pay} \times \text{U.I.C. rate}$   
 $= \$843.46 \times 2.35\%$   
 $= \$843.46 \times 0.0235$   
 $= \$19.82131$   
 $= \$19.82$

Sandy's U.I.C. premium for 2 weeks is \$19.82.

A table has been prepared to help calculate U.I.C. premiums. Most companies use a table or a computer program to determine the U.I.C. premium.

The next example uses the U.I.C. table to determine the deduction.

## Example 2

Ruth Wright is paid \$197.48 per week. Determine Ruth's U.I.C. premium using the following table.

Solution:

Read down the remuneration column until you come to the line that includes \$197.48. Read across to the U.I.C. premium rate column to find the corresponding U.I.C. premium.

Remuneration From-de To-a	U.I. Premium Prime d'a-o
191.71 - 192.12	4.51
192.13 - 192.55	4.52
192.56 - 192.97	4.53
192.98 - 193.40	4.54
193.41 - 193.82	4.55
193.83 - 194.25	4.56
194.26 - 194.68	4.57
194.69 - 195.10	4.58
195.11 - 195.53	4.59
195.54 - 195.95	4.60
195.96 - 196.38	4.61
196.39 - 196.80	4.62
196.81 - 197.23	4.63
197.24 - 197.65	4.64
197.66 - 198.08	4.65
198.09 - 198.51	4.66
198.52 - 198.93	4.67
198.94 - 199.36	4.68

Ruth must pay \$4.64 per week in U.I.C. premiums.

<sup>1</sup> Revenue Canada. 1988 *Unemployment Insurance Premium Table*.

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The questions which follow will check your understanding of U.I.C. premiums.

Do either the odd- or even-numbered questions.

Use the U.I.C. rate of 2.35%.

- Determine the U.I.C. premium deducted for each of the following pay periods.

Employee	Gross Pay This Period	U.I.C. Premium This Period
a. L. Sadi	\$1232.51	
b. T. Wong	\$ 746.99	
c. K. Copp	\$ 958.36	

- Calculate the U.I.C. premium deducted for each pay period.

- Lesley Terrence earns \$521.88 weekly. What is the U.I.C. premium?
- Robert Adams earned an annual salary in 1987 of \$16 747.82. What was the total U.I.C. premium that had to be paid for 1987?

The U.I.C. tables provided by Revenue Canada permit the premiums to be found without calculation. These tables list the premiums for all possible types of pay periods; weekly, semimonthly, biweekly, monthly, and so on.

3. Use the U.I.C. table for weekly pay periods in **Appendix B** to find the U.I.C. premium deducted.

Employee	Gross Pay Weekly	U.I.C. Premium This Period
a. C. Gross	\$304.17	
b. B. Krab	\$471.89	
c. J. Ottey	\$254.35	

4. Ester Marlis works as a registered nurse earning \$476.25 per week. How much U.I.C. premium will be deducted from each of Ester's weekly paycheques?



For solutions to **Activity 1**, turn to **Appendix A**, **Topic 2**.

## Canada Pension Plan

The Canada Pension Plan, or C.P.P., is a plan whereby money is collected from working people between 18 and 70 years of age and is paid out to people over the age of 65.

Each employer must contribute an amount equal to the amount contributed by each employee.

The maximum pensionable earnings are \$26 500 per year. This means that anyone earning more than \$26 500 in 1988 would contribute to C.P.P. on the basis of earning \$26 500.

Each worker has a basic exemption of \$2600. That is, all workers can subtract \$2600 per year or \$50.00 per week from their earnings, and contribute on the remainder of their wages.

The basic rate for an employee's C.P.P. contributions is 2.0% of pensionable earnings. The employer also contributes this same amount.

The maximum contribution for 1988 is equal to the maximum pensionable earnings, \$26 500.00, minus the basic exemption of \$2600.00, times the basic rate of 2.0%.

$$\$26\,500.00 - \$2600.00 = \$23\,900.00$$

$$\$23\,900.00 \times 2\% = \$478.00$$

Thus, the maximum contribution a wage earner should contribute to the Canada Pension Plan in 1988 is \$478.00.



The Canada Pension Plan not only provides retirement pensions for persons 65 years of age and older, but it also includes survivor pensions, disability pensions, death benefits, and orphan benefits.

The following formula can be used to calculate C.P.P. premiums.



$$\begin{aligned} \text{C.P.P. contribution} = \\ \frac{[\text{annual gross pay} \\ (\text{max. } \$26\,500) - \$2600]}{\times 2.0\%} \end{aligned}$$

The formula is applied in this next example.

### Example 3

John Haskens earns an annual salary of \$24 396.00 before deductions in 1988. Calculate his C.P.P. contributions for 1988.

**Solution:**

Step 1: Find the gross pay.  
\$24 396.00

Step 2: Find the basic exemption.  
\$2600.00

Step 3: Find the C.P.P. contribution.  
 $(\text{annual gross pay} - \$2600) \times 2.0\%$   
 $= (\$24\,396.00 - \$2600) \times 0.02$   
 $= \$21\,796 \times 0.02$   
 $= \$435.92$

John contributed \$435.92 to C.P.P. in 1988.

### Example 4

Earl Marks was paid \$198.52 per week. Determine his weekly Canada Pension Plan contribution using the C.P.P. table.

**Solution:**

Read down the remuneration column until you come to the line that includes \$198.52. Read across to the C.P.P. rate column to find the corresponding C.P.P. contribution.

Remuneration From-de To-a	C.P.P. R.P.C.
193.75 - 194.24	2.88
194.25 - 194.74	2.89
194.75 - 195.24	2.90
195.25 - 195.74	2.91
195.75 - 196.24	2.92
196.25 - 196.74	2.93
196.75 - 197.24	2.94
197.25 - 197.74	2.95
197.75 - 198.24	2.96
198.25 - 198.74	2.97
198.75 - 199.24	2.98
199.25 - 199.74	2.99
199.75 - 200.24	3.00
200.25 - 200.74	3.01
200.75 - 201.24	3.02
201.25 - 201.74	3.03
201.75 - 202.24	3.04
202.25 - 202.74	3.05

Earl's C.P.P. contribution for the week is \$2.97.

<sup>1</sup> Revenue Canada. 1988 Canada Pension Plan Contribution Table. Reprinted with permission of the Minister of Supply and Services Canada.

Tables and computers are also used in C.P.P. calculations.

Do three of the following five questions.

5. Use the C.P.P. formula to calculate the annual C.P.P. contribution for each of the following persons.

Employee	Annual Gross Pay	Annual C.P.P. Contribution
a. B. Monson	\$21 646.00	
b. C. Latoya	\$32 550.00	
c. S. Poonia	\$17 845.00	
d. A. Wilks	\$25 930.00	

6. Arlene Coglon, a dental assistant, earns \$38 740.00 annually. What is her required C.P.P. contribution on this salary?

7. Lance Pisarchuk earns \$24 376.00 per year working as a flight attendant. What is his C.P.P. contribution?



8. Use the table for weekly pay periods in **Appendix B** to find the C.P.P. contribution deducted from each person's paycheck.

Employee	Weekly Gross Pay	Weekly C.P.P. Contribution
a. T. Rubin	\$ 74.36	
b. K. Petruk	\$269.40	
c. M. Sangii	\$412.88	

9. Pam Rochfort is a bank teller earning a weekly gross pay of \$389.17. What is her weekly C.P.P. contribution? Use the table in **Appendix B**.



For solutions to **Activity 1**, turn to **Appendix A**, **Topic 2**.

Are you feeling like you are ready for a pension? No such luck. You need to keep going.

What is left after deductions like U.I.C. and C.P.P.?

### Taxable Income

Employers are required, by law, to deduct income taxes from each employee's wages. The amount of income tax deducted from an employee's salary is based on the employee's taxable income. Taxable income is calculated by subtracting U.I.C. and C.P.P. contributions, since they are not taxable, from an employee's gross pay.

The formula helps you to determine taxable income.



$$\text{Taxable income} = \text{gross pay} - (\text{U.I.C.} + \text{C.P.P.})$$

Look at this example.

### Example 5

Amber Rossburg's gross pay for a week is \$237.88. What is her taxable income if her U.I.C. premium is \$5.59 and her C.P.P. contribution is \$3.76?

Solution:

Step 1: Find the total U.I.C. and C.P.P. contribution.

$$\text{U.I.C.} + \text{C.P.P.}$$

$$\$5.59 + \$3.76 = \$9.35$$

Step 2: Find the taxable income.

$$\text{Gross pay} - (\text{U.I.C.} + \text{C.P.P.})$$

$$\$237.88 - \$9.35 = \$228.53$$

Amber's taxable income is \$228.53.

Now try some questions.

10. Complete the following table. Do either the

odd- or even-numbered questions which follow the table. You may do all the questions for more practice.

Employee	Gross Pay Weekly	U.I.C. Premium	C.P.P. Contribution	Total U.I.C. and C.P.P.	Taxable Income
J. McNab	\$ 93.05	\$ 2.19	\$0.86	a.	b.
A. Innes	\$468.72	\$11.01	\$8.37	a.	b.
K. Hunter	\$125.36	\$ 2.95	\$1.51	a.	b.
P. Wang	\$387.88	a.	b.	c.	d.
G. Rosario	\$241.63	a.	b.	c.	d.
D. Small	\$ 62.91	a.	b.	c.	d.
B. Kerr	\$411.79	a.	b.	c.	d.

11. Ashley Bonner earns \$284.15 weekly. She pays \$6.68 U.I.C. premium and \$4.68 in C.P.P. contributions. Calculate her taxable income.

12. Mah Ling earns \$478.91 per week as a data processor. What is her taxable income each week?

13. Bill Gaston earns \$273.80 weekly. His U.I.C. premium is \$6.43, and the C.P.P. contribution is \$4.48 each week. What is his taxable income?

14. Marilyn Mudryk is paid a weekly wage of \$327.47. How much of this weekly income is taxable?



For solutions to Activity 1, turn to **Appendix A, Topic 2.**



## Income Tax

Federal and provincial governments collect revenue by taxing the wage earners of Canada. Income tax is generally deducted from the paycheque of an employee by the employer, and the payments are forwarded to Revenue Canada. The amount of income tax deducted can be found by using the tax tables provided by Revenue Canada. The tax tables do not apply to those persons living in the province of Quebec since Quebec collects its own provincial tax payable. These tables can, however, be used by persons living in all other provinces and territories in Canada.

The amount of income tax deducted from an employee's salary is determined by the employee's income and net claim code. The **net claim code** is a total of exemptions employees can claim to reduce their income tax payable.

The following example illustrates how the system works.

### Example 6

Maureen Yagos earns a weekly gross pay of \$438.14. Her net claim code, which is based on her dependents such as her husband and children, is 3. How much income tax is deducted from her salary?

Solution:

Step 1: Determine the U.I.C. premiums and the C.P.P. contributions to be deducted from gross pay.  
 U.I.C. premium = \$10.30 (from tables)  
 C.P.P. contribution = \$7.76 (from tables)

Step 2: Determine the taxable income.

$$\begin{aligned}\text{Taxable income} &= \text{gross pay} - (\text{U.I.C.} + \text{C.P.P.}) \\ &= \$438.14 - (\$10.30 + \$7.76) \\ &= \$438.14 - \$18.06 \\ &= \$420.08\end{aligned}$$

Step 3: Find the income tax deduction in the table below.

- Locate the row containing the amount of taxable income, \$420.08.
- Locate the column containing the employee's net claim code, 3.

#### Alberta

#### Weekly Tax Deductions

Basis - 52 Pay Periods per Year

Weekly Pay Use appropriate bracket	0	1	2	3
From-De Moins que				
408. - 412.	104.20	70.60	67.00	59.80
412. - 416.	105.20	71.55	68.00	60.80
416. - 420.	106.25	72.50	68.95	61.75
420. - 424.	107.25	73.50	69.90	62.75
424. - 428.	108.25	74.50	70.90	63.70

Maureen would have \$62.75 deducted from her weekly salary for income tax.

<sup>1</sup> Revenue Canada. 1988 *Income Tax Deduction Table, Table 1, pg. 36-38*. Reprinted with permission of the Minister of Supply and Services Canada.

15. Use the tables in **Appendix B** to complete the following table.

Employee	Net Claim Code	Gross Pay Weekly	U.I.C.	C.P.P.	Taxable Income	Income Tax
H. McBride	1	\$336.40	\$ 7.91	\$5.73		
R. Stag	2	\$228.36	\$ 5.37	\$3.57		
W. Randolph	0	\$459.99	\$10.81	\$8.20		
L. Chung	1	\$184.15				
G. Agas	5	\$387.63				
S. Jackson	3	\$277.90				

Hint: Find the **taxable income** before going to the tax tables.

16. Bradley McCain earns \$329.64 per week, before deductions, as a cashier. His net claim code is 2. How much will be deducted from his paycheck for income tax?
17. Andrea Snyder's weekly wage is \$243.58. Determine the amount deducted for income tax from Andrea's weekly wage if her net claim code is 1.



For solutions to **Activity 1**, turn to **Appendix A, Topic 2**.

## Activity 2



Calculate net wages based on deductions.

### Other Deductions

So far, you have dealt with three basic deductions from your gross pay: U.I.C., C.P.P., and income tax. Your paycheck may also have deductions for each of the following:

- retirement pension
- medical insurance
- disability insurance
- dental insurance
- life insurance
- union dues
- savings plans
- charitable donations

The amount left after all deductions is known as your **net pay** or **take-home pay**. A list of all your deductions is included with your paycheck. This list is known as an **earnings statement**. You can use the earnings statement to check your deductions and to determine your net pay for the pay period.

You can use the following formulas.



$$\begin{aligned}\text{Total deductions} &= \text{U.I.C.} + \text{C.P.P.} + \text{income tax} \\ &\quad + \text{other deductions} \\ \text{Net pay} &= \text{gross pay} - \text{total deductions}\end{aligned}$$

## Example 7

Beverly Silver's gross weekly salary is \$429.64. Her net claim code is 4, and she has an \$11.40 deduction for health care insurance. What is her net pay?

**Solution:**

**Step 1:** Use the tables in **Appendix B** to find the U.I.C. and C.P.P. contributions.

U.I.C.	\$10.10
C.P.P.	\$ 7.59

**Step 2:** Find the **taxable income**.

$$\begin{aligned}\text{Gross pay} - (\text{U.I.C.} + \text{C.P.P.}) \\ \$429.64 - (\$10.10 + \$7.59) &= \$411.95\end{aligned}$$

**Step 3:** Use the tables in **Appendix B** to find the **income tax**.

Income tax	\$52.55
------------	---------

**Step 4:** Find the **total deductions**.

$$\begin{aligned}\text{U.I.C.} + \text{C.P.P.} + \text{income tax} + \text{other deductions} \\ \$10.10 + \$7.59 + \$52.55 + \$11.40 &= \$81.64\end{aligned}$$

**Step 5:** Find the **net pay**.

$$\begin{aligned}\text{Gross pay} - \text{total deductions} \\ \$429.64 - \$81.64 &= \$348.00\end{aligned}$$

Her net pay per week is \$348.00.

Can you find the net pay? Try your skill.



Use the U.I.C., C.P.P., and Income Tax tables from Appendix B to complete the following charts.

1.

Employee	Net Claim Code	Gross Pay Weekly	Taxable Income	Deductions						Net Pay
				U.I.C.	C.P.P.	Income Tax	Medical Ins.	Union Dues	Other	
G. Lada	1	\$180.77								

2.

Employee	Net Claim Code	Gross Pay Weekly	Taxable Income	Deductions						Net Pay
				U.I.C.	C.P.P.	Income Tax	Medical Ins.	Union Dues	Other	
M. Yee	3	\$365.90					\$11.63	—	\$8.29	

3.

Employee	Net Claim Code	Gross Pay Weekly	Taxable Income
R. Boychuk	2	\$251.33	
Deductions			
U.I.C.	C.P.P.	Income Tax	Medical Ins.
			\$6.44
			Union Dues
			\$4.75
			Other
			—
			Total
			Net Pay

4. Russ Corbett earns \$7.65 per hour for a regular 40-hour week with time and a half for overtime. His net claim code is 1. Russ pays weekly for U.I.C., C.P.P., income tax deductions, and \$9.90 for union dues. What is Russ's net pay for a week in which he worked  $46\frac{1}{2}$  hours?



For solutions to Activity 2, turn to **Appendix A, Topic 2.**

## Activity 3



Interpret records of employment income.

### Interpreting the Pay Stub

Attached to every paycheck is a pay stub itemizing your earnings and your deductions. It is important to be able to interpret this information.

### Example 8

007	14-3-88	280.00	31.50	311.50
Empl. No.	Pay Period Ending	Earnings		
		Reg.	O.T.	Total

40	3
Reg.	O.T.
Hours	

41.85	5.23	2.03		7.32	4.19			11.50	5.00		234.38
Fed.		Union	Que.		Hosp.	Group	Group			Amount	
Inc.Tax	C.P.P.	Dues	Health	U.I.C.	Med.	Ins.	Pens.	Bonds	Charity	Misc.	Net Amount
Deductions											

Solution:

Empl. No.	Every employee has a number for payroll purposes.
Hours	This shows the number of hours worked at regular pay and overtime pay.
Earnings	Earnings is the hours $\times$ pay rate. Remember, from the last topic?
From Fed. Inc. Tax to Misc.	This section shows all your deductions including other deductions.
Amount	Other miscellaneous deductions can be entered here such as rent, board, or laundry.
Misc.	
Net Amount	Net pay is determined by subtracting the deductions from the total earnings or gross pay.

Notice the pay stub is designed to show the employee **exactly** how much has been earned and how much has been deducted.

Now you should be able to read all the fine print on your cheque stub.



Look at of the earning statements below, and do the following for each question.

- State the gross pay.
- State the total deductions.
- State the net pay.

1.

715	88-06-30	230.75	19.50	250.25
Empl. No.	Pay Period Ending	Reg.	O.T.	Total
		Earnings		

35.5	2
Reg.	O.T.
Hours	

26.10	4.01		5.88	3.05		1.75		4.25	205.21
Fed. Inc. Tax	C.P.P. Dues	Union	Que. Health	U.I.C.	Hosp. Med.	Group Ins.	Group Pens.	Charity	Net Amount

Deductions

2.

The University of Red Deer

CHEQUE C 36534

Cheque Number	Gross Pay	U.I.C.	Pension	Date	Deductions				Ins. 1. Dis. 2. Life	Net Pay
					Canada Pension	Income Tax	Assn. Dues	A.H.C.		
36534	295.69	6.95	3.30	88/8/8	4.91	37.35	10.25	4.25	14.00	214.68

Aug. 26 - Sept. 8      25½ hours & 3¾ O.T.

Statement of Earnings and Deductions

Detach this Statement Before Presenting for Payment

Not Negotiable



For solutions to Activity 3, turn to Appendix A,  
Topic 2.

If you require help, do the Extra Help section.

If you want more challenging explorations, do the Extensions section.

} You may decide to do both.



## Extra Help

### The Paycheque

An individual's paycheque is the total earnings for a given period reduced by the various deductions from those earnings. In this section, you will consider persons working for a weekly wage with deductions only for Unemployment Insurance, Canada Pension Plan, and income tax. You will not look at such items as union dues and health insurance.

In calculating a person's paycheque, Unemployment Insurance and Canada Pension Plan are deducted from the basic wages first. Then, income tax is calculated and deducted. Any other deductions would be made from the employee's wages **after** Unemployment Insurance, Canada Pension, and income tax had been calculated and deducted.

### Example 9

Don McGee earned \$235.75 for the first week of July. His net claim code is 2. Calculate his paycheque for this week.

Solution:

From the tables in **Appendix B**, you will find his U.I.C. premium is \$5.54, and his C.P.P. deduction is \$3.72.

$$\begin{aligned} & \$235.75 - (\$5.54 + \$3.72) \\ &= \$235.75 - \$9.26 \\ &= \$226.49 \end{aligned}$$

From the tables, you will also find his income tax is \$17.75.

$$\$226.49 - \$17.75 = \$208.74$$

Thus, Don's paycheque for the first week of July is \$208.74.

### The Payroll

In every business, there must be someone who keeps account of the basic wages, deductions, and final paycheques for all the employees. Such a person would have the title of payroll accountant. In a very large business, several people may look after the payroll, or it may be done by computer. In a business with only a few employees, the work would likely be performed by the owner on a part-time basis.

In any case, the payroll accountant would have an account book specifically ruled and arranged to make the task of keeping these accounts easier.

Each employee's account would be kept on a separate page with the basic data at the top of the page and columns for each category of figures. Thus, the accountant would ordinarily just have to fill in the necessary figures for each employee.

Each business would set up and arrange its own account book to meet the conditions that apply to its own particular circumstances.

A simple method of recording the basic data for an employee is used in the next example. The basic wage scale, hours worked, and the various deductions are considered to arrive at the net pay.

Employee's Earning Record							
Number	1171	Date Employed	January 9, 1988				
Name	Roger F. Bradshaw		Income Tax Exemption	6175			
Address	11736 - 136 St.		Net Claim Code	5			
Social Insurance Number 617-314-910							
Week Ending	Pay Rate	Regular Time	Overtime	Gross Pay	U.I.C.	C.P.P.	Income Tax
3/12	4.40	40	3	195.80	4.60	2.92	0.00

### Explanation and Calculations:

The date, 3/12, follows the practice suggested under the new SI system of writing dates in descending order of importance: year, month, day. So, 3/12 is the 3rd month and the 12th day, or March 12.

(Overtime pay is time and a half or 1.5 times normal pay. Therefore overtime pay per hour is  $\$4.40 \times 1.5 = \$6.60$ .)

Mr. Bradshaw's pay is  $40 \times \$4.40 = \$176.00$

plus  $3 \times \$6.60 = \$ 19.80$ .

**Total = \$195.80**

After U.I.C. and C.P.P., he has \$195.80 - (\$4.60 + \$2.92).

$$= \$195.80 - \$7.52$$

$$= \$188.28$$

After income tax deductions, he has  $\$188.28 - \$0.00 = \$188.28$ .  
(For  $\$188.28$ , net claim code 5 does not have any amount.  
Thus, there is no income tax deducted.)

So, his net pay is \$188.28.



Now try the following questions. Use the U.I.C., C.P.P., and Income Tax tables from **Appendix B** to help calculate the answers.

1. Sarah Enright's wages are \$210 for the third week of August. Her net claim code is 1. Calculate her paycheck for this week.
2. Bill Wright's wages are \$275 for the first week of April. His net claim code is 3. Calculate his paycheck for this week.
3. Fill in the blanks to complete the entry for the week ending June 11. Calculate overtime at time and a half.

Employee's Earning Record							
Number	2793	Date Employed	March 13, 1989				
Name	Jane Black	Income Tax Exemption	6960				
Address	9931 - 99 Ave.	Net Claim Code	6				
Social Insurance Number 473-198-991							
Week Ending	Pay Rate	Regular Time	Overtime	Gross Pay	U.I.C.	C.P.P.	Income Tax
6/11	6.75	36	2				Net Pay

4. Elmer Grey starts work on June 11, 1988. He is assigned employee number 19711. His social insurance number is 731-111-932, and he lives at 10941 - 71 Street. He claims \$4260 income tax exemption. During the week ending June 15, 1988, he worked 28 hours regular time and put in 4 hours of overtime at the usual of time and a half. His hourly wage is \$8.25. Fill in the complete record and find his net pay for that week.

Employee's Earning Record								
Number		Date Employed						
Name		Income Tax Exemption						
Address		Net Claim Code 2						
Social Insurance Number								
Week Ending	Pay Rate	Regular Time	Overtime	Gross Pay	U.I.C.	C.P.P.	Income Tax	Net Pay



For solutions to **Extra Help**, turn to **Appendix A, Topic 2.**



## Extensions

### The TD1 Form

Regulations state that income tax must be collected from every person that works. However, a certain portion of a person's income is exempt from taxation.

In 1989, the basic personal exemption was \$6066.00. This means that any person earning less than \$6066.00 per year did not pay any tax. Anyone earning more than \$6066 per year paid tax on the amount over \$6066.00. Thus, a person earning \$10 246.00 per year would pay tax on \$10 246.00 - \$6066.00 or \$4180.

In addition to the basic personal exemption, additional exemptions may be claimed. For example, a married person may claim exemption for dependents.

To aid in the calculation of the amount of income tax to be deducted from a person's paycheck, the government has produced the TD1 form. All employees are required to file these forms with their employers.

On the TD1 form, an employee claims the exemptions and totals them. Then, using the Table of Net Claim Codes provided (see the sample form in Appendix B), locate which code corresponds to the net claim for exemptions. Knowing the claim code for each employee and the employee's wages, the employer can consult tables in order to determine the amount of income tax that should be deducted from the person's salary. (See the sample tables in Appendix B.)

### Example 10

Mr. John St. John, age 66, along with his wife, Marie, support their son Bill, age 23.

Bill attends the College of Calgary, and his parents pay his tuition fees which total \$1750.00. Marie earns \$5100 per year. Bill earns \$4000 per year. He will be attending the College of Calgary for 8 months in 1989 as a full-time student. Show how Mr. St. John would fill out the TD1 form, and find his net claim code for income tax purposes.

Solution:

Mr. St. John goes through the following procedure in filling out the TD1 forms.

Step 1: He fills in the basic data to identify himself such as his name, address, social insurance number, name and address of his wife, and the date of his birth.

Step 2: Further down the form, he fills in his added exemption due to his age.

Step 3: John calculates the exemption for his wife. Because she works and earns \$5100 per year, he must subtract this amount from \$5561 to obtain the amount he can claim for her.

Step 4: On the back of the form, John provides the personal data regarding his son, claiming his tuition fees of \$1750.00 and \$60 per month for the 8 months that Bill attends college full time.

Step 5: All these claims are added, and the amount is entered on lines 13 and 15.

Step 6: John will then use the chart at the bottom of page 2 to determine his net claim code. He notes that this sum, \$12 029, falls between \$12 012 and \$13 497, or category 6.

Step 7: Mr. St. John completes the form by signing his name and filling in the date he made this return.

Mr. St. John's completed TD1 appears on the following pages.



Revenue Canada  
Taxation

Revenue Canada  
Impôt

page 1.  
TD 1 (E)  
Rev. 1989

## 1989 PERSONAL TAX CREDIT RETURN

FAMILY NAME (Please Print) <b>ST. JOHN</b>		USUAL FIRST NAME AND INITIALS <b>JOHN</b>		EMPLOYEE NUMBER <b>604251</b>
ADDRESS <b>12116 STONY PLAIN ROAD</b>		For NON-RESIDENTS ONLY Country of Permanent Residence		SOCIAL INSURANCE NUMBER <b>610 733 198</b>
<b>EDMONTON</b>		Postal Code		DATE OF BIRTH Day <b>02</b> Month <b>05</b> Year <b>1923</b>

### Instructions

- Please fill out this form so your employer or payer will know how much tax to deduct regularly from your pay. Regular deductions will help you avoid having to pay when you file your income tax return.
- **You must complete this form if you receive**
  - salary, wages, commissions or any other remuneration;
  - pension plan benefits or annuity payments (under registered retirement income funds and registered retirement savings plans);
  - Unemployment Insurance benefits including training allowances.
- Give the completed form to your employer or payer. Otherwise, you will be allowed **only** the basic personal amount of \$6,066.
- All amounts on this form should be rounded to the nearest dollar.
- **Need Help?** If you need help to complete this form, you may ask your employer or payer, or call the Source Deductions Section of your local Revenue Canada district taxation office. **Before you do this, please refer to the additional information on page 2 under "Notes to Employees and Payees."**

1. **Are you a non-resident of Canada?** (see note 1 on page 2). If so, and **less than 90** per cent of your 1989 total world income will be included when calculating taxable income earned in Canada, enter 0 in the box on line 17 and sign the form. If you are a resident of Canada, go to item 2.

2. **Basic personal amount.** (everyone may claim \$6,066)

3. (a) **Are you married and supporting your spouse?** (see notes 4 and 5 on page 2)

or

(b) **Are you single, divorced, separated or widowed and supporting a relative who lives with you who is either your parent or grandparent, OR who is under 19 at the end of 1989, OR 19 or older and infirm?** (see notes 2, 3 and 4 on page 2)

**Note:** A spouse or dependant claimed here cannot be claimed again on lines 4 or 5.

If you answered yes to either (a) or (b) and your spouse's or dependant's 1989 net income will be

- under \$506, CLAIM \$5,055
- between \$506 and \$5,561, CLAIM (e) →
- over \$5,561, CLAIM \$0

Minus: spouse or dependant's net income	\$5,561 (c)
Claim (c minus d)	\$5,700 (d)
	\$ 461 (e)

▲ \$6,066 2 ← *Basic exemption*

▲ \$ 461 3 ← *Wife's exemption (taking into consideration the wife's income)*



4. Do you have any dependents who will be under 19 at the end of 1989? (see notes 2 and 4 on page 2). If so, and your 1989 net income will be higher than your spouse's, calculate the amount to claim for each dependent. If you are not married, please refer to notes 2, 3 and 4 on page 2.

**Note:** If you have three or more dependents who will be under 19 years old at the end of the year, you do not have to claim them in the order they were born. You may claim them in the most beneficial order. For example, a dependent who is 16 years old with a net income of \$3,500 could be claimed as the first dependent (claim 0) while the other two, with no income, could be claimed as second and third dependents.

**First and second dependent:**

- If your dependent's 1989 net income will be
- under \$2,528, CLAIM \$392
  - between \$2,528 and \$2,920, CLAIM (e) →
  - over \$2,920, CLAIM \$0

<b>Minus:</b> dependent's net income	\$ 2,920	(c)
Claim (c minus d)	_____	(d)
	_____	(e)

1st dependent \_\_\_\_\_  
2nd dependent \_\_\_\_\_  
3rd dependent \_\_\_\_\_  
4th dependent \_\_\_\_\_  
5th dependent \_\_\_\_\_  
Total \_\_\_\_\_ 4.

**Third and each additional dependent:**

- If your dependent's 1989 net income will be
- under \$2,528, CLAIM \$784
  - between \$2,528 and \$3,312, CLAIM (e) →
  - over \$3,312, CLAIM \$0

<b>Minus:</b> dependent's net income	\$ 3,312	(c)
Claim (c minus d)	_____	(d)
	_____	(e)

1st dependent \_\_\_\_\_  
2nd dependent \_\_\_\_\_  
3rd dependent \_\_\_\_\_  
Total \_\_\_\_\_ 5.

5. Do you have any infirm dependents who will be 19 or older at the end of 1989? (see notes 2 and 4 on page 2). If so, and your dependent's net income will be

- under \$2,528, CLAIM \$1,487
- between \$2,528 and \$4,015, CLAIM (e) →
- over \$4,015, CLAIM \$0

<b>Minus:</b> dependent's net income	\$ 4,015	(c)
Claim (c minus d)	_____	(d)
	_____	(e)

1st dependent \_\_\_\_\_  
2nd dependent \_\_\_\_\_  
3rd dependent \_\_\_\_\_  
Total \_\_\_\_\_ 6.

6. Do you receive eligible pension income? (see note 6 on page 2). If so, claim this amount or \$1,000, whichever is less.

7. Will you be 65 or older at the end of 1989? If so, claim \$3,272.

8. Are you disabled? (see note 7 on page 2). If so, claim \$3,272.

9. Are you a student? If so, claim

- **tuition fees** paid for courses you take in 1989 to attend either a university, college or a certified educational institution. If you receive any scholarships, fellowships or bursaries in 1989, subtract the amount over \$500 from your tuition fees before you claim them.

- \$60 for each month in 1989 that you will be in **full-time attendance** in a qualifying program, at either a university, college or a school offering job re-training courses.

← Age exemption  
(applicable to Mr.  
St. John as he is  
over 65)

6. \_\_\_\_\_  
7. \$ 3,272  
8. \_\_\_\_\_

Total \_\_\_\_\_ 9.

10. Total (add lines 2 to 9 - please enter this amount on line 11 on page 2) \$ 9,799 10.

11. Total (from line 10 on page 1) \$9799 11.

12. Are you claiming any transfers of unused pension income, age, disability, tuition fees and education amounts from your spouse and/or dependants? (see note 10 below)

- If your spouse receives eligible pension income, you may claim any unused balance to a maximum of \$1,000 (see note 6 below).
- If your spouse will be 65 or older in 1989, you may claim any unused balance to a maximum of \$3,272.
- If your spouse and/or dependants are disabled, you may claim any unused balance to a maximum of \$3,272 for each (see note 7 below).
- If you are supporting a spouse and/or dependants who are attending either a university, college or a certified educational institution, you may be entitled to claim the unused balance to a maximum of \$3,529 for each (see item 9 on page 1).

\$2230

Total \$2230

13. Total Claim Amount - Add lines 11 and 12. \$2230 12. ← *The exemption for the son who is attending college*

14. Will you or your spouse receive family allowance (baby bonus) payments in 1989? If so, and your 1989 net income will be higher than your spouse's, enter the amount of family allowance payments you will receive in 1989. If you are not married, see note 3 below. \$12 029 13.

15. NET CLAIM AMOUNT - Line 13 minus line 14. \$12 029 14. ← *Total exemption*

16. Is your estimated total income for 1989 (excluding family allowance payments) less than your net claim amount on line 15? If so, enter E in the box on line 17 and tax will not be deducted from your pay. Otherwise, go to line 17.

17. NET CLAIM CODE - Match your net claim amount from line 15 with the net claim code table below to determine your net claim code, and enter this code in the box. If you already have a code in the box, go to line 18. 6 17. ← *Net claim code*

18. Do you want to increase the amount of tax to be deducted from your salary or from other amounts paid to you such as pensions, commissions etc.? (see note 8 below). If so, state the amount of additional tax you wish to have deducted from each payment. The amount must be a multiple of \$5, for example, 5, 10, 15, 20 etc.

19. Will you live in the Yukon, Northwest Territories or another prescribed area for more than six months in a row beginning or ending in 1989? If so, claim \$225 for each 30-day period that you live in a prescribed area, or if you maintain a "self-contained domestic establishment" in a prescribed area and you are the only person within that establishment claiming this deduction, claim \$450 for each 30-day period. You cannot claim more than 20 per cent of your net income for 1989 (see note 9 below).

I HEREBY CERTIFY that the information given in this return is correct and complete.

Signature

John St. John

Date

April 15, 1989

Complete a new return within seven days of any change in your claim. It is an offence to make a false return.

## NOTES TO EMPLOYEES AND PAYEES

1. If you are in doubt about your **non-resident** status, please contact the Source Deductions Section of your local district taxation office. If you are a **non-resident and 90 per cent or more** of your 1989 total world income will be included in determining your taxable income earned in Canada, you are entitled to claim certain personal amounts. Again for more information contact your district taxation office.
2. A **dependant** is an individual who is dependent on you for support and is either under 19 years old, OR 19 or older and physically or mentally infirm. This includes a child, grandchild, parent, grandparent, brother, sister, aunt, uncle, niece or nephew (including in-laws). Except in the case of a child or grandchild, this individual must also be resident in Canada.
3. Except for married individuals, the recipient of the **family allowance** must report the benefits and claim the amount for the child or children. Whoever claims the dependant for an equivalent-to-married amount must also report the family allowance for that dependant regardless of who receives the family allowance benefits.
4. Your spouse's or dependant's **net income**, for tax withholding purposes, is the total annual income from all sources including salary, pensions, Old Age Security, UI benefits, worker's compensation and social assistance (welfare) payments **minus** annual deductions for registered pension plan and registered retirement savings plan contributions.
5. If you **marry** during the year, your spouse's net income will include the income before and during marriage.
6. **Eligible pension income** includes pension payments received from a pension plan or fund as a **life annuity** and foreign pension payments. It does not include payments from Canada or Quebec Pension plans, Old Age Security, guaranteed income supplement and lump-sum withdrawals from a pension fund.
7. To claim a **disability**, you must be severely impaired (mentally or physically) in 1989 and have a Disability Credit Certificate. Such an impairment must markedly restrict you in your daily living activities. The impairment must have lasted or be expected to last for a continuous period of at least 12 months.
8. Line 18 on the form replaces the **TD3** form. You may find it convenient to deduct tax here for other income you receive that has little or no tax deducted from it. For example, UI benefits, investment or rental income.
9. **"Self-contained domestic establishment"** means the dwelling house, apartment or similar place where you sleep and eat. It does not include a bunkhouse, dormitory, hotel room or rooms in a boarding house. For further information, including the list of prescribed areas, see the Northern Residents Deductions Tax Guide which is available at our district taxation office.
10. Your spouse and/or dependants **must** first use their **pension income, age, disability, tuition fees and education amounts** as applicable to reduce their federal tax to zero before they can transfer any unused balance of these amounts to you.

Cette formule est disponible en français.

1989 NET CLAIM CODES	
net claim amount	claim code
NO claim amount	0
\$ 0 - 6,066	1
6,067 - 7,552	2
7,553 - 9,038	3
9,039 - 10,525	4
10,526 - 12,011	5
12,012 - 13,497	6
13,498 - 14,983	7
14,984 - 16,469	8
16,470 - 17,955	9
17,956 - 19,442	10
19,443 and over	X
NO tax withholding required	E

<sup>1</sup> Revenue Canada. 1989 *Personal Tax Credit Return*. Reprinted with permission of the Minister of Supply and Services Canada.



Now, do you think you can do a TD1 form for yourself? There is a blank TD1 form in **Appendix B**. Try to fill it out for yourself and see what your net claim code would be.

A solution will not be provided as your personal TD1 form will differ from those of other students.

# Unit Summary



## What You Have Learned

"Another day, another dollar" is a very common expression because all people are concerned about the dollar.

In this unit, you looked at ways your dollar may be earned, and you examined different methods of receiving pay for work. Hourly pay, overtime pay, minimum wage, salaries, piecework pay, commissions, bonuses, and a combination of pay methods were discussed.

Unfortunately, part of your pay always disappears because of deductions like C.P.P., U.I.C., and income tax. This unit also calculated both your income and deductions to interpret your pay stub and determine your take-home pay.

You are now ready to complete  
the **Unit Assignment**.

# Appendices



## Appendix A Solutions

Review

Topic 1

Methods of Pay

Topic 2

Net Weekly Wages



## Appendix B Tables and Forms

Unemployment Insurance  
Premiums

Canada Pension Plan  
Contributions

Income Tax - Weekly Tax  
Deductions

TD1 Form





# Appendix A Solutions



## Review

### Part A

1. a. 7500                      b. 63 800  
c. 196 300                      d. 30 200
2. a. 72.2                      b. 34.7  
c. 176.0                      d. 29.1
3. a. One hundred thirty-six and nine tenths  
b. Twenty thousand, forty-three and eight hundredths  
c. Eight hundred forty-six million, twenty-seven thousand, one hundred forty-nine

4. a.  $\frac{4}{10} = \frac{2}{5}$                       b.  $\frac{98}{100} = \frac{49}{50}$   
c.  $\frac{52}{1000} = \frac{13}{250}$                       d.  $6\frac{775}{1000} = 6\frac{31}{40}$   
e.  $\frac{12}{100} = \frac{3}{25}$

5.

The Number in Words	Decimal Form	Fractional Form
Three hundred and eight hundredths	300.08	$300\frac{8}{100} = 300\frac{2}{25}$
Six hundred one thousandths	<b>0.601</b>	$\frac{601}{1000}$
Four and seventy-five ten-thousandths	<b>4.0075</b>	$4\frac{75}{10\,000} = 4\frac{3}{400}$
Seven and two tenths	7.2	$7\frac{2}{10} = 7\frac{1}{5}$
Fifty-five hundredths	<b>0.55</b>	$\frac{55}{100} = \frac{11}{20}$
Seven hundred twenty-five thousandths	<b>0.725</b>	$\frac{725}{1000} = \frac{29}{40}$

6. a. 0.563                      b. 7.429  
c. 16.333                      d. 3.125  
e. 0.481
7. a. 0.0053                      b. 0.0613  
c. 4.268                      d. 0.186 45  
e. 0.87                      f. 3.95  
g. 0.9615                      h. 2.06  
i. 48.75                      j. 0.047  
k. 0.027                      l. 0.009
8. a. 63%                      b. 389%  
c. 718%                      d. 4307%  
e. 4%                      f. 68.5%  
g. 216%                      h. 241.1%  
i. 1.5%                      j. 1800%  
k. 50.7%                      l. 695%  
m. 9460%                      n. 7.3%  
o. 0.2%                      p. 760%

Part B

9. a.  $3.6747$   
 $\uparrow \uparrow$   
 hundredths place  
 = 3.67  
 4 is less than five, so the hundredths place digit is not changed.

- b.  $176.048$   
 $\uparrow \uparrow$   
 hundredths place  
 = 176.05  
 This is greater than five, so the hundredths place is increased by one.

10. a.  $58.92$   
 $+ 31.24$   
 $\hline 90.16$   
 Remember to carry.

b.  $325.504$   
 $+ 6.157$   
 $\hline 331.661$

11. a.  $253.61$   
 $- 28.90$   
 $\hline 224.71$   
 Use zeros as place holders.

b.  $92.500$   
 $- 14.287$   
 $\hline 78.213$

12. a.  $14.7$   
 $\times 0.6$   
 $\hline$   
 $8.82$   
 There are 2 decimal places in the multiplicands.  
 Thus, there will be 2 decimal places in the answer.

- b.  $3.51$   
 $\times 0.03$   
 $\hline$   
 $0.1053$   
 There are 4 decimal places in the multiplicands.  
 Thus, there will be 4 decimal places in the answer.

13. a.  $3.10$   
 $2.7 \overline{) 8.371}$   
 $81$   
 $\hline 27$   
 $27$   
 $\hline 01$   
 $0$   
 $\hline 1$   
 First, move the decimal point in the divisor and the dividend to the right, one place.  
 1 is the remainder.

- b.  $7.74$   
 $0.062 \overline{) 0.48000}$   
 $434$   
 $\hline 460$   
 $434$   
 $\hline 260$   
 $248$   
 $\hline 12$   
 First, move the decimal point to the right, three places.

14. a.  $0.75$

b.  $0.666 = 0.67$

15. a.  $\frac{375}{1000} = \frac{3}{8}$

b.  $0.05 = \frac{5}{100} = \frac{1}{20}$

16. a.  $125\% = 1.25$

To change a percent to a decimal, divide by 100.

b.  $7\% = 0.07$

17. a.  $5.36 = 536\%$

To change a decimal to a percent, multiply by 100 and include the percent sign.

b.  $0.084 = 8.4\%$

18. a.  $35\%$  of 60

$$\frac{35}{100} = \frac{x}{60}$$

$$100x = 60 \times 35$$

$$100x = 2100$$

$$x = 21$$

b.  $12.75\%$  of 200

$$\frac{12.75}{100} = \frac{x}{200}$$

$$100x = 12.75 \times 200$$

$$100x = 2550$$

$$x = 25.5$$

# Part C

19. \$160.50 is between \$160.00 and \$161.99. Look along this row to column 3. The answer is \$6.15.

20. \$148 is in the \$148.00 - \$149.99 column. Look along this row to column 1. The answer is \$8.25.

Weekly Income Tax Deductions			
Taxable Income	Net Claim Code		
	1	2	3
146.00-147.99	7.70	5.80	2.45
148.00-149.99	8.25	6.35	3.00
150.00-151.99	8.80	6.90	3.50
152.00-153.99	9.35	7.45	4.00
154.00-155.99	9.90	7.95	4.50
156.00-157.99	10.40	8.50	5.05
158.00-159.99	10.95	9.05	5.60
160.00-161.99	11.50	9.60	6.15
162.00-163.99	12.05	10.15	6.70
164.00-165.99	12.60	10.70	7.25





## Exploring Topic 1

### Activity 1

Identify and calculate hourly earnings.

Employee	Reg Hourly Rate of Pay	Hours Worked	Straight-time Pay
a. Barrow, G.	\$10.25	40	\$410.00
b. Rondeau, A.	\$ 4.85	22	\$106.70
c. Skinner, T.	\$ 8.40	$34\frac{1}{2}$	\$289.80
d. Chan, R.	\$ 9.36	$25\frac{1}{4}$	\$236.34
e. MacAdam, J.	\$ 5.18	$17\frac{3}{4}$	\$ 91.95
f. Bruce, B.	\$ 6.75	32	\$216.00

The fractions are changed to decimals, then multiplied by the hourly rate of pay. For example,  $\$8.40/h \times 34.5h = \$289.80$ .

- $\$4.75/h \times 18.50h = \$87.88$   
 The straight-time pay for Ray Stewart is \$87.88.
- Find the total hours worked.  
 $8 + 7.5 + 7.5 + 6 + 8 = 37h$   
 $37h \times \$15.65/h = \$579.05$   
 Jennifer would be paid \$579.05 for her week's work.
- $\$9.65/h \times 36.75h = \$354.64$   
 Edward's wage for the week would be \$354.64.
- Total hours worked =  $7.75h \times 5h = 38.75h$ .  
 $38.75h \times \$11.35/h = \$439.81$   
 Rita's total pay is \$439.81.

## Activity 2

Identify and calculate weekly earnings on a regular hourly rate and overtime hourly rate.

Jobs	Question	1.	2.	3.	4.
	Postman	Gas Plant Operator	Clerk	Bank Teller	Machinist
Regular Hours	38	40	40	40	$37\frac{1}{2}$
Regular Hourly Rate	\$10.00	\$11.00	\$7.38	\$9.16	\$11.94
Straight-time Pay	\$380.00	\$440.00	\$295.20	\$366.40	\$447.75
Overtime Hours	9	0	6	3	$2\frac{1}{2}$
Overtime Rate $1.5 \times$	\$15.00	\$16.50	\$11.07	\$13.74	\$17.91
Overtime Pay	\$135.00	\$0.00	\$66.42	\$41.22	\$44.78
Total Pay	\$515.00	\$440.00	\$361.62	\$407.62	\$492.53

5. a. Time and a half is 1.5.  
 $1.5 \times \$8.96/h = \$13.44/h$   
 $7h \times \$13.44/h = \$94.08$   
 Her overtime pay is \$94.08.
- b.  $37h \times \$8.96/h = \$331.52$  (regular pay)  
 $\$331.52 + \$94.08 = \$425.60$  (plus overtime)  
 Her total pay comes to be \$425.60.
6. a. Double time means to multiply by 2.  
 $\$12.67/h \times 2 = \$25.34/h$   
 $15h \times \$25.34/h = \$380.10$   
 His overtime pay is \$380.10.
- b.  $40h \times \$12.67/h = \$506.80$   
 $\$506.80 + \$380.10 = \$886.90$   
 His total pay comes to \$886.90.
7. Find the number of overtime hours.  
 $47 - 36 = 11$  hours  
 $1.5 \times \$11.64/h = \$17.46/h$   
 $11h \times \$17.46/h = \$192.06$  (overtime pay)  
 $36h \times \$11.64/h = \$419.04$  (regular pay)  
 $\$419.04 + \$192.06 = \$611.10$   
 Her total paycheck will be \$611.10.
8. Regular week:  $40h \times \$9.56/h = \$382.40$   
 Saturday:  $1.5 \times \$9.56/h = \$14.34/h$   
 $7h \times \$14.34/h = \$100.38$   
 Sunday:  $2 \times \$9.56/h = \$19.12/h$   
 $6.5h \times \$19.12/h = \$124.28$   
 Total =  $\$382.40 + \$100.38 + \$124.28 = \$607.06$   
 Joe Blakely's total pay for the week is \$607.06.
9. Monday: (regular)  $7h \times \$8.27/h = \$ 57.89$
- Tuesday:  
 [(overtime)  $1.5 \times \$8.27/h = \$ 12.41/h$ ]  
 $2h \times \$12.41/h = \$ 24.82$   
 total \$ 90.98
- Wednesday: (regular)  $8h \times \$8.27/h = \$ 66.16$   
 [(overtime)  $1.5 \times \$8.27/h = \$ 12.41$ ]  
 $1h \times \$12.41/h = \$ 12.41$   
 total \$ 78.57
- Thursday: (regular)  $8h \times \$8.27/h = \$ 66.16$
- Friday:  
 [(overtime)  $1.5 \times \$8.27/h = \$ 12.41/h$ ]  
 $4h \times \$12.41 = \$ 49.64$   
 total \$115.80
- Saturday:  
 [(overtime)  $2 \times \$8.27/h = \$ 16.54/h$ ]  
 $7h \times \$16.54/h = \$115.78$
- Monday: \$ 57.89  
 Tuesday: \$ 90.98  
 Wednesday: \$ 78.57  
 Thursday: \$ 66.16  
 Friday: \$115.80  
 Saturday: \$115.78  
 Total: \$525.18
- Ruby's total pay for the week is \$525.18.



10.	Monday:	(regular)	$8h \times \$7.10/h = \$ 56.80$
	[(overtime)	$1.5 \times \$7.10/h = \$ 10.65/h]$	
		$2.5h \times \$10.65/h = \$ 26.63$	
		total	\$ 83.43
	Tuesday:	(regular)	$7h \times \$7.10/h = \$ 49.70$
	Wednesday:	(regular)	$8h \times \$7.10/h = \$ 56.80$
	Thursday:	(regular)	$8h \times \$7.10/h = \$ 56.80$
	[(overtime)	$1.5 \times \$7.10/h = \$ 10.65/h]$	
		$1.5h \times \$10.65/h = \$ 15.98$	
		total	\$ 72.78
	Friday:	(regular)	$8h \times \$7.10/h = \$ 56.80$
	[(overtime)	$1.5 \times \$7.10/h = \$ 10.65/h]$	
		$4h \times \$10.65/h = \$ 42.60$	
		total	\$ 99.40
	Monday:		\$ 83.43
	Tuesday:		\$ 49.70
	Wednesday:		\$ 56.80
	Thursday:		\$ 72.78
	Friday:		\$ 99.40
	Total:		\$362.11

Richard's total pay would be \$362.11.

## Activity 3

Define minimum wage and identify the current minimum wage.

- a. Alberta's minimum wage is \$4.50/h.  
 $38.5h \times \$4.50/h = \$173.25$   
 In Alberta, Tom would earn \$173.25.

b. Newfoundland's minimum wage is \$4.25/h.  
 $38.5h \times \$4.25/h = \$163.63$   
 In Newfoundland, Tom would earn \$163.63.

c. Yukon's minimum wage is \$4.75/h.  
 $38.5h \times \$4.75/h = \$182.88$   
 Saskatchewan's minimum wage is \$4.50/h.  
 $38.5h \times \$4.50/h = \$173.25$   
 $\$182.88 - \$173.25 = \$9.63$   
 In the Yukon, Tom would earn \$9.63 more per week than he would working in Saskatchewan.
- a.  $\$2.25/h \times 17h = \$38.25$   
 $\$4/h \times 17h = \$68.00$   
 $\$68.00 - \$38.25 = \$29.75$   
 Ellen would have earned \$29.75 more.
- a. The minimum wage in Alberta is \$4.50.  
 $\$4.50/h \times 12.5h = \$56.25$   
 Larry would receive \$56.25 for the week's work.

## Activity 4

Convert weekly, biweekly, semimonthly, and monthly salaries to annual salaries and vice versa.

Employee	Pay	Pay Periods	Pay Periods per Year	Annual Salary (Pay $\times$ Pay Periods per Year)
1. S.D. Dart	\$345.00	Weekly	52	\$17 940
2. D. T. Cham	\$2500.00	Monthly	12	\$30 000
3. R. L. Thom	\$675.00	Semi-monthly	24	\$16 200
4. W. A. Black	\$492.00	Biweekly	26	\$12 792

5.  $26 \times \$567.50 = \$14\,755$   
Mark White's annual salary is \$14 755.

6. Abel:  $26 \times \$640 = \$16\,640$   
Brian:  $24 \times \$680 = \$16\,320$   
Abel earns the greater annual salary.

Employee	Annual Salary	Pay Periods	Pay Periods per Year	Salary Per Pay Period
7. R. B. Turner	\$21 780.00	semimonthly	24	\$ 907.50
8. S. M. Gandi	\$44 125.00	biweekly	26	\$1697.12
9. L. R. Chabot	\$29 638.00	monthly	12	\$2469.83
10. M. D. Toberg	\$37 900.00	weekly	52	\$ 728.85
E. A. Eller	\$16 800.00	semimonthly	24	\$ 700.00

11.  $\$28\,754 \div 26 = \$1105.92$   
Allison's biweekly salary is \$1105.92.

12.  $\$32\,568 \div 52 = \$626.31$   
Trevor's weekly salary is \$626.31.

13. First, you will have to find Robynn's annual salary.  
 $24 \times \$1510.42 = \$36\,250.08$   
 $\$36\,250.08 \div 26 = \$1394.23$   
So, Robynn's biweekly salary is \$1394.23.

14. Weekly salary of assistant manager:  $\$21\,360 \div 52 = \$410.77$   
Weekly salary of manager:  $\$29\,730 \div 52 = \$571.73$   
 $\$571.73 - \$410.77 = \$160.96$   
Matthew Tyson will receive \$160.96 more per week as a manager.

### Activity 5

Identify and calculate piecework earnings.

Employee	Rate Per Item	Number of Items	Total Pay
Berry, L.	\$0.72	264	\$190.08
Frogett, S.	\$0.08	1126	\$ 90.08
Friesen, B.	\$0.56	317	\$177.52

1.  $1.16/\text{item} \times 396 \text{ items} = \$459.36$   
Marcia would earn \$459.36.
5. Monday =  $\$0.04 \times 2436 = \$ 97.44$   
Tuesday =  $\$0.04 \times 1758 = \$ 70.32$   
Wednesday =  $\$0.04 \times 1996 = \$ 79.84$   
Thursday =  $\$0.04 \times 2008 = \$ 80.32$   
Friday =  $\$0.04 \times 2167 = \$ 86.68$   
Total \$414.60

Donald Peese would earn \$414.60 for the week.

6.  $240 \times \$0.09 = \$21.60$   
 $74 \times \$0.23 = \$17.02$   
\$38.62

Ingrid would earn \$38.62 for delivering papers.

7.  $692 \times \$0.82 = \$567.44$   
Ray Costley would earn \$567.44 this week for making batteries.

### Activity 6

Identify and calculate commission earnings.

#### Part A

Position	Amount of Commission Per Item	Number	Commission
Door-to-Door Salesperson	\$ 2.50	38	\$ 95.00
Vacuum Cleaner Sales	\$ 96.00	3	\$ 288.00
Sewing Machine Sales	\$125.00	12	\$1500.00

- 1.
- 2.
- 3.



# Part B

Position	Commission Rate	Total Sales	Commission
4. Automobile Sales	3% (0.03)	\$27 680.00	\$ 830.40
5. Magazine Sales	15% (0.15)	\$643.00	\$ 96.45
6. Jewellery Sales	22% (0.22)	\$7156.00	\$1574.32
7. Farm Equipment Sales	2% (0.02)	\$169 400.00	\$3388.00

# Part C

8.  $14\frac{1}{2}\% \times \$4390$   
 $0.145 \times \$4390 = \$636.55$

Ellen earned \$636.55 for selling encyclopedias.

9.  $4\% \times \$17\ 820$   
 $0.04 \times \$17\ 820 = \$712.80$

Henry Jones earned \$712.80 for selling the midsize car.

10.  $(\$3.50 \times 68) \times (\$72 \times 8)$   
 $= \$238 + \$576 = \$814.00$

Heather Lockhart earned \$814.00 for selling small and large appliances.

# Part D

Amount of Sales	\$7800	\$10 300	\$4320	\$11 600
Commission				
11. First \$6500: 7%	\$455.00	\$455.00	\$302.40	\$ 455.00
12. Next \$3000: 12%	\$156.00	\$360.00	\$ 0.00	\$ 360.00
13. Over \$9500: 15%	\$ 0.00	\$120.00	\$ 0.00	\$ 315.00
14. Total Commission	\$611.00	\$935.00	\$302.40	\$1130.00

# Part E

15.  $(\$5 \times 20) + (\$8.50 \times 26)$   
 $= \$100 + \$221$   
 $= \$321$

Alice would earn \$321 for 46 demonstrations.

16.  $\$13\ 640 - \$3500 = \$10\ 140$   
 $(0.04 \times \$3500) + (0.065 \times \$10\ 140)$   
 $= \$140 + \$659.10$   
 $= \$799.10$

Bob's earnings for the week would be \$799.10

17.  $\$17\ 250 - \$11\ 500 = \$5750$   
 Now:  $(0.08 \times \$5000) + (0.125 \times \$6500) + (0.16 \times \$5750)$   
 $= \$400 + \$812.50 + \$920$   
 $= \$2132.50$

Marjorie Adams' commission amounts to \$2132.50

## Activity 7

Identify and calculate bonus earnings.

Person	Wage	Bonus	Earnings
1. Abe	\$325.00	\$38.00	<b>\$363.00</b>
2. Betty	\$418.00	2%	<b>\$426.36</b> $\left\{ \begin{array}{l} \$418 \times 0.02 = \$8.36 \\ \$418 + \$8.36 = \$426.36 \end{array} \right.$
3. Carl	\$407.00	$3\frac{1}{2}\%$	<b>\$421.25</b> $\left\{ \begin{array}{l} \$407 \times 0.035 = \$14.25 \\ \$407 + \$14.25 = \$421.25 \end{array} \right.$

4. a. Commission:  $\$243\ 180 \times 0.09 = \$21\ 886.20$

Bonus:  $\$243\ 180 \times 0.045 = \$10\ 943.10$

Total salary:  $\$32\ 829.30$

Troy's earnings for the year would amount to  $\$32\ 829.30$ .

b. Commission:  $\$318\ 772 \times 0.09 = \$28\ 689.48$

Bonus:  $\$318\ 772 \times 0.045 = \$14\ 344.74$

Total salary:  $\$43\ 034.22$

Troy's earnings would be  $\$43\ 034.22$ .

## Activity 8

Identify and calculate combination earnings.

1.  $(\$4.80/h \times 7.5h) + (\$1.50 \times 39)$   
 $= \$36 + \$58.50$   
 $= \$94.50$

Tom Crib earned \$94.50 on Friday.

2.  $(\$45 \times 5) + (0.03 \times \$25000)$   
 $= \$225 + \$75$   
 $= \$300$

Arthur Fox earned \$300 for the week.

3.  $(\$4.75/h \times 43\ h) + (0.0125 \times \$1235)$   
 $= \$204.25 + \$15.44$   
 $= \$219.69$

Audrey Nexus' total earnings were \$219.69.

4. Overtime hours:  $43h - 37.25h = 5.75h$

Scott's overtime

rate =  $1.5 \times \$5.18/h = \$7.77/h$

Earnings: = regular pay + overtime pay + commission

=  $(\$5.18/h \times \$37.25h) + (\$7.77/h \times 5.75h)$

+  $(0.036 \times \$5673)$

=  $\$192.96 + \$44.68 + \$204.23$

=  $\$441.87$

Scott's total earnings would amount to \$441.87.

## Extra Help

- a. Total number of sets:  $6 + 10 + 9 + 7 = 32$   
Mrs. Brown made 32 sets in February.

b.  $\$26/\text{set} \times 32 \text{ sets} = \$832$   
The store paid Mrs. Brown \$832.00.
- Total number of outlets:  $6 + 6 + 15 + 2 + 9 = 38$   
 $\$16.50/\text{outlet} \times 38 \text{ outlets} = \$627$   
The total cost to wire the house would be \$627.00.
- Total sales:  $\$17\,350 + \$8\,240 + \$10\,250 = \$35\,840$   
Commission:  $0.075 \times \$35\,840 = \$2\,688$   
Grant made \$2688 in this month.
- a. Commission:  $0.05 \times \$23\,600 = \$1\,180$   
Bill Barker's commission was \$1180.00.

b.  $\$23\,600 - \$1\,180 = \$22\,420$   
Farmer Ed received \$22 420 from his sale.
- a.  $\$6.75/\text{h} \times 8\text{h} = \$54$   
Barry earns \$54.00 for each day.

b.  $\$54/\text{day} \times 5 \text{ days} = \$270$   
In a 5-day week, Barry would earn \$270.00.
- a. Earnings:  $\$5.75/\text{h} \times 8\text{h} = \$46$   
Joan earns \$46 per day.

b.  $\$5.75/\text{h} \times 40\text{h} = \$230$   
Joan would earn \$230.00 for a 40-hour week.

## Extensions

- a.  $10:50$   
 $- 4:42$   

---

6:08

b.  $8:32$   
 $- 8:15$   

---

0:17
- c.  $5:52$   
 $- 3:27$   

---

2:25

d.  $11:17 = 10:77$   
 $- 8:56$   

---

2:21
- e.  $9:35 = 8:95$   
 $- 5:53$   

---

3:42

For d and e, you will need to borrow. Remember, 1 hour is 60 minutes.

2.

Given Time	Next smaller quarter hour	Subtraction	Is it more or less than $7\frac{1}{2}$ min?	Time rounded to nearest quarter hour
2:31	2:30	$2:31$ $- 2:30$ <hr/> :01	less	$2\frac{1}{2}$
a. 9:17	9:15	$9:17$ $- 9:15$ <hr/> 0:02	less	$9\frac{1}{4}$
b. 11:52	11:45	$11:52$ $- 11:45$ <hr/> 0:07	less	$11\frac{3}{4}$
c. 4:29	4:15	$4:29$ $- 4:15$ <hr/> :14	greater	$4\frac{1}{2}$



3. a.

Name <u>Ming Chan</u> Number <u>21717</u> Department <u>Manufacturing</u> Week Ending <u>July 27, 1984</u>									
Day	Morning		Afternoon		Overtime		Hours		
	In	Out	In	Out	In	Out	In	Out	
Mon	8:00	12:00	1:00	5:00			4 + 4 =		8
Tues	8:01	12:01	12:59	4:56			4 + 4 =		8
Wed	7:59	12:02	1:01	4:59			4 + 4 =		8
Thur	8:03	12:01	1:02	5:03			4 + 4 =		8
Fri	7:59	12:02	1:00	5:00			4 + 4 =		8
Sat									
Sun									
							Regular	Hours	Amount
							Overtime		
							Total Hours	40	Total Earnings
									\$352

b.

Name <u>Sylvia Marianchuk</u> Number <u>11719</u> Department <u>Shipping</u> Week Ending <u>July 27, 1984</u>									
Day	Morning		Afternoon		Overtime		Hours		
	In	Out	In	Out	In	Out	In	Out	
Mon	8:00	12:01	1:03	3:30			6 $\frac{1}{2}$		
Tues	8:01	11:59	1:01	5:00	5:01	6:00	8 + 1		
Wed	8:00	12:01	1:00	5:00	5:00	5:30	8 + $\frac{1}{2}$		
Thur	8:00	12:00	1:00	2:30			5 $\frac{1}{2}$		
Fri	7:59	11:59	1:00	5:00			8		
Sat									
Sun									
K. L.							Regular	Hours	Amount
							Overtime	1 $\frac{1}{2}$	\$18.90
							Total Hours	37 $\frac{1}{2}$	Total Earnings
									\$321.30



## Exploring Topic 2

### Activity 1

Identify possible deductions such as Unemployment Insurance, Canada Pension Plan, and income tax.

Employee	Gross Pay This Period	U.I.C. Premium This Period
L. Sadi	\$1232.51	\$28.96
T. Wong	\$ 746.99	\$17.55
K. Copp	\$ 958.36	\$22.52

1.

- a. b. c.

2.35% = 0.0235 as a decimal.

- a.  $\$1232.51 \times 0.0235 = \$28.96$   
 b.  $\$ 746.99 \times 0.0235 = \$17.55$   
 c.  $\$ 958.36 \times 0.0235 = \$22.52$   
 2. a.  $\$521.88 \times 0.0235 = \$12.26$   
 Lesley's U.I.C. premium is \$12.26.  
 b.  $\$16\,747.82 \times 0.0235 = \$393.57$   
 The total premium was \$393.57.

Employee	Gross Pay Weekly	U.I.C. Premium This Period
C. Gross	\$304.17	\$ 7.15
B. Krab	\$471.89	\$11.09
J. Ottey	\$254.35	\$ 5.98

- a. b. c.

- a. \$304.17 is between \$304.05 and \$304.46. U.I.C. is \$7.15.  
 b. \$471.89 is between \$471.12 and \$472.12. U.I.C. is \$11.09.  
 c. \$254.35 is between \$254.26 and \$254.68. U.I.C. is \$5.98.

4. Check the U.I.C. table in **Appendix B**.

\$476.25 is between \$475.96 and \$476.38.  
 Thus, the U.I.C. premium is \$11.19.

Employee	Annual Gross Pay	Annual C.P.P. Contribution
B. Monson	\$21 646.00	\$380.92
C. Latoya	\$32 550.00	\$478.00
S. Poonia	\$17 845.00	\$304.90
A. Wilks	\$25 930.00	\$466.60

- a. b. c. d.

5.

a.  $\$21\,646.00 - \$2600 = \$19\,046$   
 $\$19\,046 \times 0.02 = \$380.92$

b.  $\$26\,500 - \$2600 = \$23\,900$   
 $\$23\,900 \times 0.02 = \$478.00$

Remember, the maximum for pensionable earnings is \$26 500 resulting in a maximum C.P.P. contribution of \$478.00. Gross income above \$26 500 is exempt from C.P.P. contributions.

c.  $\$17\,845.00 - \$2600 = \$15\,245$   
 $\$15\,245 \times 0.02 = \$304.90$

d.  $\$25\,930.00 - \$2600 = \$23\,330$   
 $\$23\,330 \times 0.02 = \$466.60$

6. Arlene's required C.P.P. contribution is \$478.00 since her annual gross pay is above \$26 500, and any amount over \$26 500 is exempted.

7.  $\$24\,376.00 - \$2600 = \$21\,776$   
 $\$21\,776 \times 0.02 = \$435.52$

Lance Pisarchuk's C.P.P. contribution amounts to \$435.52.

8.

Employee	Weekly Gross Pay	Weekly C.P.P. Contribution
a. T. Rubin	\$ 74.36	\$0.49
b. K. Petruk	\$269.40	\$4.39
c. M. Sangii	\$412.88	\$7.26



- a. \$74.36 is between \$74.25 and \$74.74. C.P.P. is \$0.49.
- b. \$269.40 is between \$269.25 and \$269.74. C.P.P. is \$4.39.
- c. \$412.88 is between \$412.75 and \$413.24. C.P.P. is \$7.26.

9. Her weekly C.P.P. contribution is \$6.78 because \$389.17 is between \$388.75 and \$389.24.

10.

Employee	Gross Pay Weekly	U.I.C. Premium	C.P.P. Contribution	Total U.I.C. and C.P.P.	Taxable Income
J. McNab	\$ 93.05	\$ 2.19	\$0.86	\$ 3.05	\$ 90.00
A. Innes	\$468.72	\$11.01	\$8.37	\$19.38	\$449.34
K. Hunter	\$125.36	\$ 2.95	\$1.51	\$ 4.46	\$120.90
P. Wang	\$387.88	\$9.12	\$6.76	\$15.88	\$372.00
G. Rosario	\$241.63	\$5.68	\$3.83	\$ 9.51	\$232.12
D. Small	\$ 62.91	\$1.48	\$0.26	\$ 1.74	\$ 61.17
B. Kerr	\$411.79	\$9.68	\$7.24	\$16.92	\$394.87

Total U.I.C. and C.P.P. = U.I.C. premium + C.P.P. contribution.

Taxable income = gross pay weekly – (total U.I.C. + C.P.P.)

Remember, you can also use the tables in Appendix B to find the U.I.C. premium and the C.P.P. contribution.

11.  $\$6.68 + \$4.68 = \$11.36$   
 $\$284.15 - \$11.36 = \$272.79$

Ashley Bonner's taxable income is \$272.79.

12. U.I.C. = \$11.25  
Check the tables.  
C.P.P. = \$8.58  
\$11.25 + \$8.58 = \$19.83  
\$478.91 - \$19.83 = \$459.08

Mah Ling's taxable income for each week is \$459.08.

13. \$6.43 + \$4.48 = \$10.91  
\$273.80 - \$10.91 = \$262.89

Bill Gaston's taxable income is \$262.89.

14. U.I.C. = \$7.70  
Check the tables.  
C.P.P. = \$5.55  
\$7.70 + \$5.55 = \$13.25  
\$327.47 - \$13.25 = \$314.22

Marilyn Mudryk's taxable income is \$314.22.

Employee	Net Claim Code	Gross Pay Weekly	U.I.C.	C.P.P.	Taxable Income	Income Tax
H. McBride	1	\$336.40	\$ 7.91	\$5.73	\$322.76	\$ 48.60
R. Siag	2	\$228.36	\$ 5.37	\$3.57	\$219.42	\$ 15.50
W. Randolph	0	\$459.99	\$10.81	\$8.20	\$440.98	\$112.35
L. Chung	1	\$184.15	\$ 4.33	\$2.68	\$177.14	\$ 9.60
G. Agas	5	\$387.63	\$ 9.11	\$6.75	\$371.77	\$ 33.00
S. Jackson	3	\$277.90	\$ 6.53	\$4.56	\$266.81	\$ 20.40

15. Be sure to look under the proper net claim code!

16. U.I.C. = \$7.75  
 C.P.P. is \$5.59  
 $\$329.64 - (\$7.75 + \$5.59) = \$316.30$   
 Look under the net claim code 2. \$43.30  
 Bradley McCain will have \$43.30 deducted for income tax.
17. U.I.C. = \$5.72  
 C.P.P. = \$3.87  
 $\$243.58 - (\$5.72 + \$3.87) = \$233.99$   
 Look under the net claim code 1. \$23.85  
 Andrea Snyder will have \$23.85 deducted for income tax.

## Activity 2

Calculate net wages based on deductions.

1.

Employee	Net Claim Code	Gross Pay Weekly	Taxable Income
G. Lada	1	\$180.77	<b>\$173.90</b>
Deductions			
U.I.C.	C.P.P.	Income Tax	Medical Ins.
\$4.25	\$2.62	<b>\$8.95</b>	\$4.20
		Union Dues	Other
		\$3.00	—
			Total
			<b>\$23.02</b>
			Net Pay
			<b>\$157.75</b>



Employee	Net Claim Code	Gross Pay Weekly	Taxable Income
M. Yee	3	\$365.90	<b>\$350.98</b>
Deductions			
U.I.C.	C.P.P.	Income Tax	Medical Ins.
<b>\$8.60</b>	<b>\$6.32</b>	<b>\$44.00</b>	<b>\$11.63</b>
			Union Dues
			—
			Other
			<b>\$8.29</b>
			Total
			<b>\$78.84</b>
			Net Pay
			<b>\$287.06</b>

2.

Employee	Net Claim Code	Gross Pay Weekly	Taxable Income
R. Boychuk	2	\$251.33	<b>\$241.39</b>
Deductions			
U.I.C.	C.P.P.	Income Tax	Medical Ins.
<b>\$5.91</b>	<b>\$4.03</b>	<b>\$21.95</b>	<b>\$6.44</b>
			Union Dues
			<b>\$4.75</b>
			Other
			—
			Total
			<b>\$43.08</b>
			Net Pay
			<b>\$208.25</b>

3.

4. Gross pay =  $(\$7.65/h \times 40h) + (\$11.48/h \times 6.5h)$

Time and a half =  
 $\$7.65/h \times 1.5 =$   
 $\$11.48/h$

$$\begin{aligned}
 &= \$306.00 + \$74.62 \\
 &= \$380.62 \\
 \text{U.I.C.} &= \$8.94 \\
 \text{C.P.P.} &= \$6.61
 \end{aligned}$$

Taxable income =  $\$380.62 - (\$8.94 + \$6.61)$   
=  $\$365.07$

$\$59.90$  is deducted for income tax. (Check under net claim code 1).

Total deductions =  $\$8.94 + \$6.61 + \$59.90 + \$9.90 = \$85.35$   
Net pay =  $\$380.62 - \$85.35$   
=  $\$295.27$

Russ's net pay for the week would be  $\$295.27$ .

### Activity 3

Interpret records of employment income.

1. The gross pay is  $\$250.25$ .

Total deductions =  $\$26.10 + \$4.01 + \$5.88 + \$3.05 + \$1.75$   
+  $\$4.25$   
=  $\$45.04$

Net pay =  $\$250.25 - \$45.04$   
=  $\$205.21$

This is also stated in the  
Net Amount box.

2. The gross pay is  $\$295.69$ .

Total deductions =  $\$6.95 + \$3.30 + \$4.91 + \$37.35 + \$10.25$   
+  $\$4.25 + \$14.00$   
=  $\$81.01$

Net pay =  $\$295.69 - \$81.01$   
=  $\$214.68$

This is also stated in the  
Net Amount box.

### Extra Help

1. Wages are  $\$210.00$ .

U.I.C. premium is  $\$4.94$ .

C.P.P. deduction is  $\$3.20$ .

Net wages for income tax =  $\$210 - (\$4.94 + \$3.20)$   
=  $\$210 - \$8.14$   
=  $\$201.86$

Income tax deduction is  $\$14.60$ .

Net claim code is 1.

$\$201.86 - \$14.60 = \$187.26$

Sarah Enright's paycheck for the third week in August is  
 $\$187.26$ .

2. Wages are  $\$275.00$ .

U.I.C. premium is  $\$6.46$ .

C.P.P. deduction is  $\$4.50$ .

Net wages for income tax =  $\$275 - (\$6.46 + \$4.50)$   
=  $\$275 - \$10.96$   
=  $\$264.04$

Income tax deduction is  $\$20.40$ .

Net claim code is 3.

$\$264.04 - \$20.40 = \$243.64$

Bill Wright's paycheck is  $\$243.64$ .

## ॐ

Employee's Earning Record								
Number		2793		Date Employed		March 13, 1989		
Name		Jane Black		Income Tax Exemption		6960		
Address		9931 - 99 Ave.		Net Claim Code		6		
Social Insurance Number 473-198-991								
Week Ending	Pay Rate	Regular Time	Over-time	Gross Pay	U.I.C.	C.P.P.	Income Tax	Net Pay
6/11	6.75	36	2	263.26	6.19	4.27	0.25	252.55

$$\begin{aligned}\text{Gross pay} &= (\$6.75/\text{h} \times 36\text{h}) + (\$10.13/\text{h} \times 2\text{h}) \\ &= \$243 + \$20.26 \\ &= \$263.26\end{aligned}$$
$$\begin{aligned}\text{Net wages for income tax} &= \$263.26 - (\$6.19 + \$4.27) \\ &= \$263.26 - \$10.46 \\ &= \$252.80\end{aligned}$$

Income tax deducted is \$0.25.  
 Net pay = \$252.80 - \$0.25  
           = \$252.55

## 4.

[illegible]
$$\begin{aligned}\text{Gross pay} &= (\$8.25/\text{h} \times 28\text{h}) + (4\text{h} \times \$12.38/\text{h}) \\ &= \$231 + \$49.52 \\ &= \$280.52\end{aligned}$$
$$\begin{aligned}\text{Net wages for income tax} &= \$280.52 - (\$6.59 + \$4.61) \\ &= \$280.52 - \$11.20 \\ &= \$269.32\end{aligned}$$

Income tax deducted is \$29.85.  
 Net pay = \$269.32 – \$29.85  
           = \$239.47

Net claim code is 2.



## Appendix B

## Tables - U.I.C.

## UNEMPLOYMENT INSURANCE PREMIUMS

## PRIMES D'ASSURANCE-CHÔMAGE

For minimum and maximum insurable earnings amounts for various pay periods see Schedule II. For the maximum premium deduction for various pay periods see bottom of this page.

[illegible]

For minimum and maximum insurable earnings amounts for various pay periods see bottom of this page.

Les montants minimum et maximum des gains assurables pour diverses périodes de paie figurent en annexe II. La déduction maximale de primes pour diverses périodes de paie figure au bas de la présente page.

## PRIMES D'ASSURANCE-CHOMAGE

Maximum Premium Deduction for a Pay Period of the stated frequency		Deduction maximale de prime pour une période de paie d'une durée donnée		Weekly - Hebdomadaire		Bi-Weekly - Bi-Mensuel		Monthly - Mensuel		13.28		28.77		57.54		10 pp per year - 10 pp par année		22 pp per year - 22 pp par année		53.04		69.04		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0		From-0		U.I.		Premium		Prime		da-c.		To-0	
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## UNEMPLOYMENT INSURANCE PREMIUMS

LES D'ASSURANCE-CHOMAGE

61

For minimum and maximum insurable earnings amounts for premium deduction for various pay periods see bottom of this page.

paie figure au bas de la présente page.

Maximum Premium Deduction for a		Pay Period of the stated frequency.		Deduction maximale de prime pour une		Période de paie d'une durée donnée	
From-To	d-c	From-To	d-c	From-To	d-c	From-To	d-c
245,74	245,74	245,74	245,74	245,74	245,74	245,74	245,74
246,00	246,00	246,00	246,00	246,00	246,00	246,00	246,00
246,26	246,26	246,26	246,26	246,26	246,26	246,26	246,26
246,52	246,52	246,52	246,52	246,52	246,52	246,52	246,52
246,78	246,78	246,78	246,78	246,78	246,78	246,78	246,78
247,04	247,04	247,04	247,04	247,04	247,04	247,04	247,04
247,30	247,30	247,30	247,30	247,30	247,30	247,30	247,30
247,56	247,56	247,56	247,56	247,56	247,56	247,56	247,56
247,82	247,82	247,82	247,82	247,82	247,82	247,82	247,82
248,08	248,08	248,08	248,08	248,08	248,08	248,08	248,08
248,34	248,34	248,34	248,34	248,34	248,34	248,34	248,34
248,60	248,60	248,60	248,60	248,60	248,60	248,60	248,60
248,86	248,86	248,86	248,86	248,86	248,86	248,86	248,86
249,12	249,12	249,12	249,12	249,12	249,12	249,12	249,12
249,38	249,38	249,38	249,38	249,38	249,38	249,38	249,38
249,64	249,64	249,64	249,64	249,64	249,64	249,64	249,64
250,00	250,00	250,00	250,00	250,00	250,00	250,00	250,00
250,40	250,40	250,40	250,40	250,40	250,40	250,40	250,40
250,80	250,80	250,80	250,80	250,80	250,80	250,80	250,80
251,20	251,20	251,20	251,20	251,20	251,20	251,20	251,20
251,60	251,60	251,60	251,60	251,60	251,60	251,60	251,60
252,00	252,00	252,00	252,00	252,00	252,00	252,00	252,00
252,40	252,40	252,40	252,40	252,40	252,40	252,40	252,40
252,80	252,80	252,80	252,80	252,80	252,80	252,80	252,80
253,20	253,20	253,20	253,20	253,20	253,20	253,20	253,20
253,60	253,60	253,60	253,60	253,60	253,60	253,60	253,60
254,00	254,00	254,00	254,00	254,00	254,00	254,00	254,00
254,40	254,40	254,40	254,40	254,40	254,40	254,40	254,40
254,80	254,80	254,80	254,80	254,80	254,80	254,80	254,80
255,20	255,20	255,20	255,20	255,20	255,20	255,20	255,20
255,60	255,60	255,60	255,60	255,60	255,60	255,60	255,60
256,00	256,00	256,00	256,00	256,00	256,00	256,00	256,00
256,40	256,40	256,40	256,40	256,40	256,40	256,40	256,40
256,80	256,80	256,80	256,80	256,80	256,80	256,80	256,80
257,20	257,20	257,20	257,20	257,20	257,20	257,20	257,20
257,60	257,60	257,60	257,60	257,60	257,60	257,60	257,60
258,00	258,00	258,00	258,00	258,00	258,00	258,00	258,00
258,40	258,40	258,40	258,40	258,40	258,40	258,40	258,40
258,80	258,80	258,80	258,80	258,80	258,80	258,80	258,80
259,20	259,20	259,20	259,20	259,20	259,20	259,20	259,20
259,60	259,60	259,60	259,60	259,60	259,60	259,60	259,60
260,00	260,00	260,00	260,00	260,00	260,00	260,00	260,00
260,40	260,40	260,40	260,40	260,40	260,40	260,40	260,40
260,80	260,80	260,80	260,80	260,80	260,80	260,80	260,80
261,20	261,20	261,20	261,20	261,20	261,20	261,20	261,20
261,60	261,60	261,60	261,60	261,60	261,60	261,60	261,60
262,00	262,00	262,00	262,00	262,00	262,00	262,00	262,00
262,40	262,40	262,40	262,40	262,40	262,40	262,40	262,40
262,80	262,80	262,80	262,80	262,80	262,80	262,80	262,80
263,20	263,20	263,20	263,20	263,20	263,20	263,20	263,20
263,60	263,60	263,60	263,60	263,60	263,60	263,60	263,60
264,00	264,00	264,00	264,00	264,00	264,00	264,00	264,00
264,40	264,40	264,40	264,40	264,40	264,40	264,40	264,40
264,80	264,80	264,80	264,80	264,80	264,80	264,80	264,80
265,20	265,20	265,20	265,20	265,20	265,20	265,20	265,20
265,60	265,60	265,60	265,60	265,60	265,60	265,60	265,60
266,00	266,00	266,00	266,00	266,00	266,00	266,00	266,00
266,40	266,40	266,40	266,40	266,40	266,40	266,40	266,40
266,80	266,80	266,80	266,80	266,80	266,80	266,80	266,80
267,20	267,20	267,20	267,20	267,20	267,20	267,20	267,20
267,60	267,60	267,60	267,60	267,60	267,60	267,60	267,60
268,00	268,00	268,00	268,00	268,00	268,00	268,00	268,00
268,40	268,40	268,40	268,40	268,40	268,40	268,40	268,40
268,80	268,80	268,80	268,80	268,80	268,80	268,80	268,80
269,20	269,20	269,20	269,20	269,20	269,20	269,20	269,20
269,60	269,60	269,60	269,60	269,60	269,60	269,60	269,60
270,00	270,00	270,00	270,00	270,00	270,00	270,00	270,00
270,40	270,40	270,40	270,40	270,40	270,40	270,40	270,40
270,80	270,80	270,80	270,80	270,80	270,80	270,80	270,80
271,20	271,20	271,20	271,20	271,20	271,20	271,20	271,20
271,60	271,60	271,60	271,60	271,60	271,60	271,60	271,60
272,00	272,00	272,00	272,00	272,00	272,00	272,00	272,00
272,40	272,40	272,40	272,40	272,40	272,40	272,40	272,40
272,80	272,80	272,80	272,80	272,80	272,80	272,80	272,80
273,20	273,20	273,20	273,20	273,20	273,20	273,20	273,20
273,60	273,60	273,60	273,60	273,60	273,60	273,60	273,60
274,00	274,00	274,00	274,00	274,00	274,00	274,00	274,00
274,40	274,40	274,40	274,40	274,40	274,40	274,40	274,40
274,80	274,80	274,80	274,80	274,80	274,80	274,80	274,80
275,20	275,20	275,20	275,20	275,20	275,20	275,20	275,20
275,60	275,60	275,60	275,60	275,60	275,60	275,60	275,60
276,00	276,00	276,00	276,00	276,00	276,00	276,00	276,00
276,40	276,40	276,40	276,40	276,40	276,40	276,40	276,40
276,80	276,80	276,80	276,80	276,80	276,80	276,80	276,80
277,20	277,20	277,20	277,20	277,20	277,20	277,20	277,20
277,60	277,60	277,60	277,60	277,60	277,60	277,60	277,60
278,00	278,00	278,00	278,00	278,00	278,00	278,00	278,00
278,40	278,40	278,40	278,40	278,40	278,40	278,40	278,40
278,80	278,80	278,80	278,80	278,80	278,80	278,80	278,80
279,20	279,20	279,20	279,20	279,20	279,20	279,20	279,20
279,60	279,60	279,60	279,60	279,60	279,60	279,60	279,60
280,00	280,00	280,00	280,00	280,00	280,00	280,00	280,00
280,40	280,40	280,40	280,40	280,40	280,40	280,40	280,40
280,80	280,80	280,80	280,80	280,80	280,80	280,80	280,80
281,20	281,20	281,20	281,20	281,20	281,20	281,20	281,20
281,60	281,60	281,60	281,60	281,60	281,60	281,60	281,60
282,00	282,00	282,00	282,00	282,00	282,00	282,00	282,00
282,40	282,40	282,40	282,40	282,40	282,40	282,40	282,40
282,80	282,80	282,80	282,80	282,80	282,80	282,80	282,80
283,20	283,20	283,20	283,20	283,20	283,20	283,20	283,20
283,60	283,60	283,60	283,60	283,60	283,60	283,60	283,60
284,00	284,00	284,00	284,00	284,00	284,00	284,00	284,00
284,40	284,40	284,40	284,40	284,40	284,40	284,40	284,40
284,80	284,80	284,80	284,80	284,80	284,80	284,80	284,80
285,20	285,20	285,20	285,20	285,20	285,20	285,20	285,20
285,60	285,60	285,60	285,60	285,60	285,60	285,60	285,60
286,00	286,00	286,00	286,00	286,00	286,00	286,00	286,00
286,40	286,40	286,40	286,40	286,40	286,40	286,40	286,40
286,80	286,80	286,80	286,80	286,80	286,80	286,80	286,80
287,20	287,20	287,20	287,20	287,20	287,20	287,20	287,20
287,60	287,60	287,60	287,60	287,60	287,60	287,60	287,60
288,00	288,00	288,00	288,00	288,00	288,00	288,00	288,00
288,40	288,40	288,40	288,40	288,40	288,40	288,40	288,40
288,80	288,80	288,80	288,80	288,80	288,80	288,80	288,80
289,20	289,20	289,20	289,20	289,20	289,20	289,20	289,20
289,60	289,60	289,60	289,60	289,60	289,60	289,60	289,60
290,00	290,00	290,00	290,00	290,00	290,00	290,00	290,00
290,40	290,40	290,40	290,40	290,40	290,40	290,40	290,40
290,80	290,80	290,80	290,80	290,80	290,80	290,80	290,80
291,20	291,20	291,20	291,20	291,20	291,20	291,20	291,20
291,60	291,60	291,60	291,60	291,60	291,60	291,60	291,60
292,00	292,00	292,00	292,00	292,00	292,00	292,00	292,00
292,40	292,40	292,40	292,40	292,40	292,40	292,40	292,40
292,80	292,80	292,80	292,80	292,80	292,80	292,80	292,80
293,20	293,20	293,20	293,20	293,20	293,20	293,20	293,20
293,60	293,60	293,60	293,60	293,60	293,60	293,60	293,60
294,00	294,00	294,00	294,00	294,00	294,00	294,00	294,00
294,40	294,40	294,40	294,40	294,40	294,40	294,40	294,40
294,80	294,80	294,80	294,80	294,80	294,80	294,80	294,80
295,20	295,20	295,20	295,20	295,20	295,20	295,20	295,20
295,60	295,60	295,60	295,60	295,60	295,60	295,60	295,60
296,00	296,00	296,00	296,00	296,00	296,00	296,00	296,00
296,40	296,40	296,40	296,40	296,40	296,40	296,40	296,40
296,80	296,80						



Revenue Canada, 1988 Unemployment Insurance Premium Table.

of Supply and Services Canada.

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Maximum Premium Deduction for a		Pay Period of the stated frequency		Deduction maximale de prime pour une		Période de paie d'une durée donnée	
Weekly - Hebdomadaire		Semi-Monthly - Bi-mensuel		Monthly - Mensuel		10 pp par an	
13.28		26.56		57.54		10 pp par an	
10.08		20.16		52.54		10 pp par an	
10.04		20.08		52.44		10 pp par an	
10.03		20.06		52.42		10 pp par an	
10.02		20.04		52.40		10 pp par an	
10.01		20.02		52.38		10 pp par an	
10.00		20.00		52.36		10 pp par an	
9.99		19.98		52.34		10 pp par an	
9.98		19.96		52.32		10 pp par an	
9.97		19.94		52.30		10 pp par an	
9.96		19.92		52.28		10 pp par an	
9.95		19.90		52.26		10 pp par an	
9.94		19.88		52.24		10 pp par an	
9.93		19.86		52.22		10 pp par an	
9.92		19.84		52.20		10 pp par an	
9.91		19.82		52.18		10 pp par an	
9.90		19.80		52.16		10 pp par an	
9.89		19.78		52.14		10 pp par an	
9.88		19.76		52.12		10 pp par an	
9.87		19.74		52.10		10 pp par an	
9.86		19.72		52.08		10 pp par an	
9.85		19.70		52.06		10 pp par an	
9.84		19.68		52.04		10 pp par an	
9.83		19.66		52.02		10 pp par an	
9.82		19.64		52.00		10 pp par an	
9.81		19.62		51.98		10 pp par an	
9.80		19.60		51.96		10 pp par an	
9.79		19.58		51.94		10 pp par an	
9.78		19.56		51.92		10 pp par an	
9.77		19.54		51.90		10 pp par an	
9.76		19.52		51.88		10 pp par an	
9.75		19.50		51.86		10 pp par an	
9.74		19.48		51.84		10 pp par an	
9.73		19.46		51.82		10 pp par an	
9.72		19.44		51.80		10 pp par an	
9.71		19.42		51.78		10 pp par an	
9.70		19.40		51.76		10 pp par an	
9.69		19.38		51.74		10 pp par an	
9.68		19.36		51.72		10 pp par an	
9.67		19.34		51.70		10 pp par an	
9.66		19.32		51.68		10 pp par an	
9.65		19.30		51.66		10 pp par an	
9.64		19.28		51.64		10 pp par an	
9.63		19.26		51.62		10 pp par an	
9.62		19.24		51.60		10 pp par an	
9.61		19.22		51.58		10 pp par an	
9.60		19.20		51.56		10 pp par an	
9.59		19.18		51.54		10 pp par an	
9.58		19.16		51.52		10 pp par an	
9.57		19.14		51.50		10 pp par an	
9.56		19.12		51.48		10 pp par an	
9.55		19.10		51.46		10 pp par an	
9.54		19.08		51.44		10 pp par an	
9.53		19.06		51.42		10 pp par an	
9.52		19.04		51.40		10 pp par an	
9.51		19.02		51.38		10 pp par an	
9.50		19.00		51.36		10 pp par an	
9.49		18.98		51.34		10 pp par an	
9.48		18.96		51.32		10 pp par an	
9.47		18.94		51.30		10 pp par an	
9.46		18.92		51.28		10 pp par an	
9.45		18.90		51.26		10 pp par an	
9.44		18.88		51.24		10 pp par an	
9.43		18.86		51.22		10 pp par an	
9.42		18.84		51.20		10 pp par an	
9.41		18.82		51.18		10 pp par an	
9.40		18.80		51.16		10 pp par an	
9.39		18.78		51.14		10 pp par an	
9.38		18.76		51.12		10 pp par an	
9.37		18.74		51.10		10 pp par an	
9.36		18.72		51.08		10 pp par an	
9.35		18.70		51.06		10 pp par an	
9.34		18.68		51.04		10 pp par an	
9.33		18.66		51.02		10 pp par an	
9.32		18.64		51.00		10 pp par an	
9.31		18.62		50.98		10 pp par an	
9.30		18.60		50.96		10 pp par an	
9.29		18.58		50.94		10 pp par an	
9.28		18.56		50.92		10 pp par an	
9.27		18.54		50.90		10 pp par an	
9.26		18.52		50.88		10 pp par an	
9.25		18.50		50.86		10 pp par an	
9.24		18.48		50.84		10 pp par an	
9.23		18.46		50.82		10 pp par an	
9.22		18.44		50.80		10 pp par an	
9.21		18.42		50.78		10 pp par an	
9.20		18.40		50.76		10 pp par an	
9.19		18.38		50.74		10 pp par an	
9.18		18.36		50.72		10 pp par an	
9.17		18.34		50.70		10 pp par an	
9.16		18.32		50.68		10 pp par an	
9.15		18.30		50.66		10 pp par an	
9.14		18.28		50.64		10 pp par an	
9.13		18.26		50.62		10 pp par an	
9.12		18.24		50.60		10 pp par an	
9.11		18.22		50.58		10 pp par an	
9.10		18.20		50.56		10 pp par an	
9.09		18.18		50.54		10 pp par an	
9.08		18.16		50.52		10 pp par an	
9.07		18.14		50.50		10 pp par an	
9.06		18.12		50.48		10 pp par an	
9.05		18.10		50.46		10 pp par an	
9.04		18.08		50.44		10 pp par an	
9.03		18.06		50.42		10 pp par an	
9.02		18.04		50.40		10 pp par an	
9.01		18.02		50.38		10 pp par an	
9.00		18.00		50.36		10 pp par an	
8.99		17.98		50.34		10 pp par an	
8.98		17.96		50.32		10 pp par an	
8.97		17.94		50.30		10 pp par an	
8.96		17.92		50.28		10 pp par an	
8.95		17.90		50.26		10 pp par an	
8.94		17.88		50.24		10 pp par an	
8.93		17.86		50.22		10 pp par an	
8.92		17.84		50.20		10 pp par an	
8.91		17.82		50.18		10 pp par an	
8.90		17.80		50.16		10 pp par an	
8.89		17.78		50.14		10 pp par an	
8.88		17.76		50.12		10 pp par an	
8.87		17.74		50.10		10 pp par an	
8.86		17.72		50.08		10 pp par an	
8.85		17.70		50.06		10 pp par an	
8.84		17.68		50.04		10 pp par an	
8.83		17.66		50.02		10 pp par an	
8.82		17.64		50.00		10 pp par an	
8.81		17.62		49.98		10 pp par an	
8.80		17.60		49.96		10 pp par an	
8.79		17.58		49.94		10 pp par an	
8.78		17.56		49.92		10 pp par an	
8.77		17.54		49.90		10 pp par an	
8.76		17.52		49.88		10 pp par an	
8.75		17.50		49.86		10 pp par an	
8.74		17.48		49.84		10 pp par an	
8.73		17.46		49.82		10 pp par an	
8.72		17.44		49.80		10 pp par an	
8.71		17.42		49.78		10 pp par an	
8.70		17.40		49.76		10 pp par an	
8.69		17.38		49.74		10 pp par an	
8.68		17.36		49.72		10 pp par an	
8.67		17.34		49.70		10 pp par an	
8.66		17.32		49.68		10 pp par an	
8.65		17.30		49.66		10 pp par an	
8.64		17.28		49.64		10 pp par an	
8.63		17.26		49.62		10 pp par an	
8.62		17.24		49.60		10 pp par an	
8.61		17.22		49.58		10 pp par an	
8.60		17.20		49.56		10 pp par an	
8.59		17.18		49.54		10 pp par an	
8.58		17.16		49.52		10 pp par an	
8.57		17.14		49.50		10 pp par an	
8.56		17.12		49.48		10 pp par an	
8.55		17.10		49.46		10 pp par an	
8.54		17.08		49.44		10 pp par an	
8.53		17.06		49.42		10 pp par an	
8.52		17.04		49.40		10 pp par an	
8.51		17.02		49.38		10 pp par an	
8.50		17.00		49.36		10 pp par an	
8.49		16.98		49.34		10 pp par an	
8.48		16.96		49.32		10 pp par an	
8.47		16.94		49.30		10 pp par an	
8.46		16.92		49.28		10 pp par an	
8.45		16.90		49.26		10 pp par an	
8.44		16.88		49.24		10 pp par an	
8.43		16.86		49.22		10 pp par an	
8.42		16.84		49.20		10 pp par an	
8.41		16.82		49.18		10 pp par an	
8.40		16.80		49.16		10 pp par an	
8.39		16.78		49.14		10 pp par an	
8.38		16.76		49.12		10 pp par an	
8.37		16.74		49.10		10 pp par an	
8.36		16.72		49.08		10 pp par an	
8.35		16.70		49.06		10 pp par an	
8.34		16.68		49.04		10 pp par an	
8.33		16.66		49.02		10 pp par an	
8.32		16.64		49.00		10 pp par an	
8.31		16.62		48.98		10 pp par an	
8.30		16.60		48.96		10 pp par an	
8.29		16.58		48.94		10 pp par an	
8.28		16.56		48.92		10 pp par an	
8.27		16.54		48.90		10 pp par an	
8.26		16.52		48.88		10 pp par an	
8.25		16.50		48.86		10 pp par an	
8.24		16.48		48.84		10 pp par an	
8.23		16.46		48.82		10 pp par an	
8.22		16.44		48.80		10 pp par an	
8.21		16.42		48.78		10 pp par an	
8.20		16.40		48.76		10 pp par an	
8.19		16.38		48.74		10 pp par an	
8.18		16.36		48.72		10 pp par an	
8.17		16.34		48.70		10 pp par an	
8.16		16.32		48.68		10 pp par an	
8.15		16.30		48.66		10 pp par an	
8.14		16.28		48.64		10 pp par an	
8.13		16.26		48.62		10 pp par an	
8.12		16.24		48.60		10 pp par an	
8.11		16.22		48.58		10 pp par an	
8.10		16.20		48.56		10 pp par an	
8.09		16.18		48.54		10 pp par an	
8.08		16.16		48.52		10 pp par an	
8.07		16.14		48.50		10 pp par an	
8.06		16.12		48.48		10 pp par an	
8.05		16.10		48.46		10 pp par an	
8.04		16.08		48.44		10 pp par an	
8.03		16.06		48.42		10 pp par an	
8.02		16.04		48.40		10 pp par an	
8.01		16.02		48.38		10 pp par an	
8.00		16.00		48.36		10 pp par an	
7.99		15.98		48.34		10 pp par an	
7.98		15.96		48.32		10 pp par an	
7.97		15.94		48.30		10 pp par an	
7.96		15.92		48.28		10 pp par an	
7.95		15.90		48.26		10 pp par an	
7.94		15.88		48.24		10 pp par an	
7.93		15.86		48.22		10 pp par an	
7.92		15.84		48.20		10 pp par an	
7.91		15.82		48.18		10 pp par an	
7.90		15.80		48.16		10 pp par an	
7.89		15.78		48.14		10 pp par an	
7.88		15.76		48.12		10 pp par an	
7.87		15.74		48.10		10 pp par an	
7.86		15.72		48.08		10 pp par an	
7.85		15.70		48.06		10 pp par an	
7.84		15.68		48.04			

## Tables – C.P.P

**CANADA PENSION PLAN CONTRIBUTIONS**

## COTISATIONS AU RÉGIME DE PENSIONS DU CANADA

WEEKLY PAY PERIOD - PERIODE HEBDOMADAIRE DE PAIE

.00 — 193.74

[illegible]





337.75 - 481.74

CANADA PENSION PLAN CONTRIBUTIONS

## 36

Base — 52 périodes de paie par année

[illegible]

**TABLE 1**  
**WEEKLY TAX DEDUCTIONS**  
**Base — 52 Pay Periods per Year**  
**RETENUES D'IMPÔT PAR SEMAINE**  
**Base — 52 périodes de paie par année**

IF THE EMPLOYEE'S "NET CLAIM CODE" ON FORM TD1 IS									
SI LE CODE DE DEMANDE NETTE DE L'EMPLOYÉ SELON LA FORMULE TD1 EST DE									
WEEKLY PAY US\$ appropriate bracket	PAIE PAR SEMAINE	Utilisez le palier approprié	Less than Form — De moins que	DEDUCT FROM EACH PAY — RETENEZ SUR CHAQUE PAIE					
0	1	2	3	4	5	6	7	8	9
10									
228.00 — 232.00	58.45	22.75	18.60	11.05	6.10	1.15			
232.00 — 236.00	59.45	23.85	19.70	11.75	6.80	1.85			
236.00 — 240.00	60.50	25.00	20.85	12.55	7.45	2.50			
240.00 — 244.00	61.50	26.10	21.95	13.65	8.10	3.15			
244.00 — 248.00	62.50	27.25	23.10	14.80	8.80	3.85			
248.00 — 252.00	63.55	28.35	24.20	15.90	9.45	4.50			
252.00 — 256.00	64.55	29.50	25.35	17.05	10.15	5.20			
256.00 — 260.00	65.55	30.60	26.45	18.15	10.80	5.85			
260.00 — 264.00	66.60	31.75	27.60	19.30	11.45	6.50			
264.00 — 268.00	67.60	32.85	28.70	20.40	12.15	7.20			
268.00 — 272.00	68.60	34.00	29.85	21.50	13.20	7.85			
272.00 — 276.00	69.65	35.10	30.95	22.65	14.35	8.55			
276.00 — 280.00	70.65	36.25	32.10	23.75	15.45	9.20			
280.00 — 284.00	71.65	37.35	33.20	24.90	16.60	9.85			
284.00 — 288.00	72.70	38.50	34.30	26.00	17.70	10.55			
288.00 — 292.00	73.70	39.60	35.45	27.15	18.85	11.20			
292.00 — 296.00	74.70	40.70	36.55	28.25	19.95	11.90			
296.00 — 300.00	75.75	41.85	37.70	29.40	21.10	12.60			
300.00 — 304.00	76.75	42.95	38.80	30.50	22.20	13.30			
304.00 — 308.00	77.75	44.10	39.95	31.55	23.35	15.05			
308.00 — 312.00	78.80	45.20	41.05	32.75	24.45	16.15			
312.00 — 316.00	79.80	46.35	42.30	33.90	25.60	17.25			
316.00 — 320.00	80.80	47.45	43.40	35.00	26.70	18.40			
320.00 — 324.00	81.85	48.60	44.55	36.15	27.85	19.50			
324.00 — 328.00	82.85	49.70	45.65	37.25	28.95	20.65			
328.00 — 332.00	83.85	50.85	46.70	38.40	30.05	21.75			
332.00 — 336.00	84.90	51.95	47.80	39.50	31.20	22.90			
336.00 — 340.00	85.90	53.10	48.95	40.65	32.30	24.00			
340.00 — 344.00	86.90	54.25	49.10	41.75	33.45	25.15			
344.00 — 348.00	87.95	55.05	50.20	42.85	34.55	26.25			
348.00 — 352.00	88.95	56.00	52.30	44.00	35.70	27.40			
352.00 — 356.00	89.95	57.00	53.40	45.10	36.80	28.50			
356.00 — 360.00	90.95	57.95	54.35	46.25	37.95	29.65			
360.00 — 364.00	92.00	58.95	55.35	47.35	39.05	30.75			
364.00 — 368.00	93.00	59.90	56.30	48.50	40.20	31.90			
368.00 — 372.00	94.05	60.85	57.30	49.60	41.30	33.00			
372.00 — 376.00	95.05	61.85	58.25	50.75	42.45	34.15			
376.00 — 380.00	96.05	62.80	59.25	51.85	43.55	35.25			
380.00 — 384.00	97.10	63.80	60.20	53.00	44.70	36.35			
384.00 — 388.00	98.10	64.75	61.15	54.00	45.80	37.50			
388.00 — 392.00	99.10	65.75	62.15	54.95	46.95	38.60			
392.00 — 396.00	100.15	66.70	63.10	55.95	48.05	39.75			
396.00 — 400.00	101.15	67.70	64.10	56.90	49.15	40.85			
400.00 — 404.00	102.15	68.65	65.05	57.85	50.30	42.00			
404.00 — 408.00	103.20	69.65	66.05	58.85	51.40	43.10			
408.00 — 412.00	104.20	70.60	67.00	59.80	52.55	44.25			
412.00 — 416.00	105.25	71.55	68.00	60.80	53.60	45.35			
416.00 — 420.00	106.25	72.55	69.90	61.75	54.65	46.40			
420.00 — 424.00	107.25	73.50	70.90	62.75	55.65	47.50			
424.00 — 428.00	108.25	74.50	71.90	63.70	56.50	48.75			
428.00 — 432.00	109.30	75.45	72.85	64.70	57.50	49.85			
432.00 — 436.00	110.30	76.45	73.85	65.65	58.45	50.95			
436.00 — 440.00	111.30	77.40	74.80	66.60	59.45	52.10			
440.00 — 444.00	112.35	78.40	75.80	67.60	60.40	53.20			
444.00 — 448.00	113.35	79.35	76.85	68.55	61.40	54.20			
448.00 — 452.00	114.40	80.35	77.85	69.55	62.40	55.25			
452.00 — 456.00	115.40	81.35	78.85	70.55	63.40	56.25			
456.00 — 460.00	116.40	82.35	79.85	71.55	64.40	57.25			
460.00 — 464.00	117.40	83.35	80.85	72.55	65.40	58.25			
464.00 — 468.00	118.40	84.35	81.85	73.55	66.40	59.25			
468.00 — 472.00	119.40	85.35	82.85	74.55	67.40	60.25			
472.00 — 476.00	120.40	86.35	83.85	75.55	68.40	61.25			
476.00 — 480.00	121.40	87.35	84.85	76.55	69.40	62.25			
480.00 — 484.00	122.40	88.35	85.85	77.55	70.40	63.25			
484.00 — 488.00	123.40	89.35	86.85	78.55	71.40	64.25			
488.00 — 492.00	124.40	90.35	87.85	79.55	72.40	65.25			
492.00 — 496.00	125.40	91.35	88.85	80.55	73.40	66.25			
496.00 — 500.00	126.40	92.35	89.85	81.55	74.40	67.25			
500.00 — 504.00	127.40	93.35	90.85	82.55	75.40	68.25			
504.00 — 508.00	128.40	94.35	91.85	83.55	76.40	69.25			
508.00 — 512.00	129.40	95.35	92.85	84.55	77.40	70.25			
512.00 — 516.00	130.40	96.35	93.85	85.55	78.40	71.25			
516.00 — 520.00	131.40	97.35	94.85	86.55	79.40	72.25			
520.00 — 524.00	132.40	98.35	95.85	87.55	80.40	73.25			
524.00 — 528.00	133.40	99.35	96.85	88.55	81.40	74.25			
528.00 — 532.00	134.40	100.35	97.85	89.55	82.40	75.25			
532.00 — 536.00	135.40	101.35	98.85	90.55	83.40	76.25			
536.00 — 540.00	136.40	102.35	99.85	91.55	84.40	77.25			
540.00 — 544.00	137.40	103.35	100.85	92.55	85.40	78.25			
544.00 — 548.00	138.40	104.35	101.85	93.55	86.40	79.25			
548.00 — 552.00	139.40	105.35	102.85	94.55	87.40	80.25			
552.00 — 556.00	140.40	106.35	103.85	95.55	88.40	81.25			
556.00 — 560.00	141.40	107.35	104.85	96.55	89.40	82.25			
560.00 — 564.00	142.40	108.35	105.85	97.55	90.40	83.25			
564.00 — 568.00	143.40	109.35	106.85	98.55	91.40	84.25			
568.00 — 572.00	144.40	110.35	107.85	99.55	92.40	85.25			
572.00 — 576.00	145.40	111.35	108.85	100.55	93.40	86.25			
576.00 — 580.00	146.40	112.35	109.85	101.55	94.40	87.25			
580.00 — 584.00	147.40	113.35	110.85	102.55	95.40	88.25			
584.00 — 588.00	148.40	114.35	111.85	103.55	96.40	89.25			
588.00 — 592.00	149.40	115.35	112.85	104.55	97.40	90.25			
592.00 — 596.00	150.40	116.35	113.85	105.55	98.40	91.25			
596.00 — 600.00	151.40	117.35	114.85	106.55	99.40	92.25			
600.00 — 604.00	152.40	118.35	115.85	107.55	100.40	93.25			
604.00 — 608.00	153.40	119.35	116.85	108.55	101.40	94.25			
608.00 — 612.00	154.40	120.35	117.85	109.55	102.40	95.25			
612.00 — 616.00	155.40	121.35	118.85	110.55	103.40	96.25			
616.00 — 620.00	156.40	122.35	119.85	111.55	104.40	97.25			
620.00 — 624.00	157.40	123.35	120.85	112.55	105.40	98.25			
624.00 — 628.00	158.40	124.35	121.85	113.55	106.40	99.25			
628.00 — 632.00	159.40	125.35	122.85	114.55	107.40	100.25			
632.00 — 636.00	160.40	126.35	123.85	115.55	108.40	101.25			
636.00 — 640.00	161.40	127.35	124.85	116.55	109.40	102.25			
640.00 — 644.00	162.40	128.35	125.85	117.55	110.40	103.25			
644.00 — 648.00	163.40	129.35	126.85	118.55	111.40	104.25			
648.00 — 652.00	164.40	130.35	127.85	119.55	112.40	105.25			
652.00 — 656.00	165.40	131.35	128.85	120.55	113.40	106.25			
656.00 — 660.00	166.40	132.35	129.85	121.55	114.40	107.25			
660.00 — 664.00	167.40	133.35	130.85	122.55	115.40	108.25			
664.00 — 668.00	168.40	134.35	131.85	123.55	116.40	109.25			
668.00 — 672.00	169.40	135.35	132.85	124.55	117.40	110.25			
672.00 — 676.00	170.40	136.35	133.85	125.55	118.40	111.25			
676.00 — 680.00	171.40	137.35	134.85	126.55	119.40	112.25			
680.00 — 684.00	172.40	138.35	135.85	127.55	120.40	113.25			
684.00 — 0									



**TABLE 1**  
**WEEKLY TAX DEDUCTIONS**  
**Basics — 52 Pay Periods per Year**  
**RETENUES D'IMPÔT PAR SEMAINE**  
**Base — 52 périodes de paie par année**

DEDUCT FROM EACH PAY — RETENEZ SUR CHAQUE PAIE												
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IF THE EMPLOYEE'S "NET CLAIM CODE" ON FORM TD1 IS  
SI LE CODE DE DEMANDE NETTE DE L'EMPLOYÉ SELON LA FORMULE TD1 EST DE

448 - 445	114.90	80.80	77.20	70.05	62.85	55.65	47.75	39.45	31.10	22.80	14.50	19.50	14.50
449 - 448	116.95	82.75	79.15	71.95	64.80	57.60	49.70	41.40	33.10	24.80	16.50	21.50	16.50
450 - 449	118.95	84.70	81.10	73.90	66.75	59.55	51.65	43.35	35.05	26.75	18.45	23.45	18.45
451 - 450	120.95	86.70	83.10	75.90	68.75	61.55	53.65	45.35	37.05	28.75	20.45	25.45	20.45
452 - 451	122.95	88.70	85.10	77.90	70.75	63.55	55.65	47.35	39.05	30.75	22.45	27.45	22.45
453 - 452	125.00	90.75	87.15	79.90	72.85	65.65	57.75	49.45	41.15	32.75	24.45	29.45	24.45
454 - 453	127.10	92.80	89.20	82.00	74.90	67.80	59.90	51.60	43.30	34.80	26.50	31.50	26.50
455 - 454	129.15	94.90	91.30	84.10	77.00	69.90	62.00	53.70	45.40	36.85	28.55	33.55	28.55
456 - 455	131.15	97.00	93.40	86.20	79.05	72.00	64.10	55.80	47.50	38.90	30.60	35.60	30.60
457 - 456	133.15	99.10	95.50	88.30	81.15	74.10	66.20	57.90	49.60	40.95	32.65	37.65	32.65
458 - 457	135.15	101.20	97.60	90.40	83.25	76.20	68.30	60.00	51.70	42.00	34.70	39.70	34.70
459 - 458	137.20	103.30	99.70	92.50	85.35	78.30	70.40	62.10	53.80	44.05	36.75	41.75	36.75
460 - 459	139.25	105.40	101.80	94.60	87.50	80.50	72.60	64.30	55.90	46.15	38.85	43.85	38.85
461 - 460	141.30	107.50	103.90	96.70	89.65	82.65	74.75	66.40	58.00	48.25	40.95	45.95	40.95
462 - 461	143.35	109.65	106.05	98.85	91.80	84.80	76.90	68.50	60.10	50.35	43.05	48.05	43.05
463 - 462	145.40	111.75	108.20	101.00	94.00	87.00	79.10	70.65	62.20	52.45	45.15	50.15	45.15
464 - 463	147.50	113.85	110.30	103.15	96.15	89.15	81.25	72.80	64.35	54.55	47.25	52.25	47.25
465 - 464	149.60	116.00	112.45	105.30	98.30	91.30	83.45	75.00	66.50	56.65	49.35	54.35	49.35
466 - 465	151.70	118.15	114.60	107.50	100.45	93.50	85.60	77.15	68.65	58.80	51.45	56.45	51.45
467 - 466	153.80	120.30	116.75	109.70	102.60	95.65	87.75	79.30	70.80	60.95	53.55	58.55	53.55
468 - 467	155.90	122.45	118.90	111.85	104.80	97.80	89.90	81.45	72.95	63.10	55.65	60.65	55.65
469 - 468	158.00	124.60	121.05	114.00	107.00	100.00	92.05	83.60	75.10	65.25	57.75	62.75	57.75
470 - 469	160.10	126.75	123.20	116.15	109.15	102.15	94.20	85.75	77.25	67.40	59.85	64.85	59.85
471 - 470	162.20	128.90	125.35	118.30	111.30	104.30	96.35	87.90	79.40	69.55	61.95	66.95	61.95
472 - 471	164.30	131.05	127.50	120.45	113.45	106.45	98.50	90.05	81.55	71.70	64.05	69.05	64.05
473 - 472	166.40	133.20	129.65	122.60	115.60	108.60	100.65	92.20	83.70	73.85	66.15	71.15	66.15
474 - 473	168.50	135.35	131.80	124.75	117.75	110.75	102.80	94.35	85.85	75.95	68.25	73.25	68.25
475 - 474	170.60	137.50	133.95	126.90	119.90	112.90	104.95	96.50	88.00	78.10	70.35	75.35	70.35
476 - 475	172.70	139.65	136.10	129.05	122.05	115.05	107.10	98.65	90.15	80.25	72.45	77.45	72.45
477 - 476	174.80	141.80	138.25	131.20	124.20	117.20	109.25	100.80	92.30	82.40	74.55	79.55	74.55
478 - 477	176.90	143.95	140.40	133.35	126.35	119.35	111.40	102.95	94.45	84.55	76.65	81.65	76.65
479 - 478	179.00	146.10	142.55	135.50	128.50	121.50	113.60	105.10	96.60	86.70	78.75	83.75	78.75
480 - 479	181.10	148.25	144.70	137.65	130.65	123.65	115.75	107.25	98.75	88.85	80.85	85.85	80.85
481 - 480	183.20	150.40	146.85	139.80	132.80	125.80	117.90	109.40	100.90	90.95	82.95	87.95	82.95
482 - 481	185.30	152.55	149.00	141.95	134.95	127.95	120.05	111.55	103.05	93.10	85.05	89.05	85.05
483 - 482	187.40	154.70	151.15	144.10	137.10	130.10	122.20	113.70	105.20	95.25	87.20	91.15	87.20
484 - 483	189.50	156.85	153.30	146.25	139.25	132.25	124.35	115.85	107.35	97.40	89.35	93.25	89.35
485 - 484	191.60	159.00	155.45	148.40	141.40	134.40	126.50	118.00	109.50	99.55	91.45	95.35	91.45
486 - 485	193.70	161.15	157.60	150.55	143.55	136.55	128.65	120.15	111.65	101.70	93.60	97.45	93.60
487 - 486	195.80	163.30	159.75	152.70	145.70	138.70	130.80	122.30	113.80	103.85	95.75	99.55	95.75
488 - 487	197.90	165.45	161.90	154.85	147.85	140.85	132.95	124.45	115.95	106.00	97.90	101.70	97.90
489 - 488	200.00	167.60	164.05	157.00	149.00	143.00	135.10	126.60	118.10	108.15	100.00	103.85	100.00
490 - 489	202.10	169.75	166.20	159.15	151.15	145.15	137.25	128.75	120.25	110.25	110.15	105.95	105.95
491 - 490	204.20	171.90	168.35	161.30	153.30	147.30	139.40	130.40	122.40	112.40	112.30	108.10	108.10
492 - 491	206.30	174.05	170.50	163.45	155.45	149.45	141.55	132.55	124.55	114.55	114.45	110.25	110.25
493 - 492	208.40	176.20	172.65	165.60	157.60	151.60	143.70	134.70	126.70	116.70	116.60	112.40	112.40
494 - 493	210.50	178.35	174.80	167.75	159.75	153.75	145.85	136.85	128.85	118.85	118.75	114.55	114.55
495 - 494	212.60	180.50	176.95	169.90	161.90	155.90	148.00	139.00	131.00	121.00	120.90	116.70	116.70
496 - 495	214.70	182.65	179.10	172.05	164.05	158.05	150.15	141.15	133.15	123.15	123.00	118.85	118.85
497 - 496	216.80	184.80	181.25	174.20	166.20	160.20	143.30	143.30	135.30	125.30	125.15	121.00	121.00
498 - 497	218.90	186.95	183.40	176.35	168.35	162.35	145.45	145.45	137.45	127.45	127.30	123.15	123.15
499 - 498	221.00	189.10	185.55	178.50	170.50	164.50	147.60	147.60	139.60	129.60	129.45	125.30	125.30
500 - 499	223.10	191.25	187.70	180.65	172.65	166.65	149.75	149.75	141.75	131.75	131.60	127.45	127.45
501 - 500	225.20	193.40	189.85	182.80	174.80	168.80	151.90	151.90	143.90	133.90	133.75	129.60	129.60
502 - 501	227.30	195.55	191.95	184.95	176.95	170.95	154.05	154.05	146.05	136.05	135.90	131.75	131.75
503 - 502	229.40	197.70	194.10	187.10	179.10	173.10	156.20	156.20	148.20	138.20	138.05	133.90	133.90
504 - 503	231.50	199.85	196.25	189.25	181.25	175.25	158.35	158.35	150.35	140.35	140.20	136.05	136.05
505 - 504	233.60	202.00	198.40	191.40	183.40	177.40	160.50	160.50	152.50	142.50	142.35	138.20	138.20
506 - 505	235.70	204.15	200.55	193.55	185.55	179.55	162.65	162.65	154.65	144.65	144.50	140.35	140.35
507 - 506	237.80	206.30	202.70	195.70	187.70	181.70	164.80	164.80	156.80	146.80	146.65	142.50	142.50
508 - 507	239.90	208.45	204.85	197.85	189.85	183.85	166.95	166.95	158.95	148.95	148.80	144.65	144.65
509 - 508	242.00	211.00	207.40	200.40	192.40	186.40	169.10	169.10	161.10	151.10	151.00	146.80	146.80
510 - 509	244.10	213.15	209.55	202.55	194.55	188.55	171.25	171.25	163.25	153.25	153.10	148.95	148.95
511 - 510	246.20	215.30	211.70	204.70	196.70	190.70	173.40	173.40	165.40	155.40	155.25	151.10	151.10
512 - 511	248.30	217.45	213.85	206.85	198.85	192.85	175.55	175.55	167.55	157.55	157.40	153.25	153.25
513 - 512	250.40	219.60	216.00	209.00	201.00	195.00	177.70	177.70	169.70	159.70	159.55	155.40	155.40
514 - 513	252.50	221.75	218.15	211.15	203.15	197.15	179.85	179.85	171.85	161.85	161.70	157.55	157.55
515 - 514	254.60	223.90	220.30	213.30	205.30	199.30	182.00	182.00	174.00	164.00	163.85	159.70	159.70
516 - 515	256.70	226.05	222.45	215.45	207.45	201.45	184.15	184.15	176.15	166.15	166.00	161.85	161.85
517 - 516	258.80	228.20	224.60	217.60	209.60	203.60	186.30	186.30	178.30	168.30	168.15	164.00	164.00
518 - 517	260.90	230.35	226.75	219.75	211.75	205.75	188.45	188.45	180.45	170.45	170.30	166.15	166.15
519 - 518	263.00	232.50	228.90	221.90	213.90	207.90	190.60	190.60	182.60	172.60	172.45	168.30	168.30
520 - 519	265.10	234.65	231.05	224.05	216.05	210.05	192.75	192.75	184.75	174.75	174.60	170.45	170.45
521 - 520	267.20	236.80	233.20	226.20	218.20	212.20	194.90	194.90	186.90	176.90	176.75	172.60	172.60
522 - 521	269.30	238.95	235.35	228.35	220.35	214.35	197.05	197.05	189.05	179.05	178.90		



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## 1989 PERSONAL TAX CREDIT RETURN

FAMILY NAME (Please Print)		USUAL FIRST NAME AND INITIALS	EMPLOYEE NUMBER
ADDRESS		For NON-RESIDENTS ONLY Country of Permanent Residence	SOCIAL INSURANCE NUMBER
Postal Code		DATE OF BIRTH Day Month Year	

### Instructions

- Please fill out this form so your employer or payer will know how much tax to deduct regularly from your pay. Regular deductions will help you avoid having to pay when you file your income tax return.
- **You must complete this form if you receive**
  - salary, wages, commissions or any other remuneration;
  - pension plan benefits or annuity payments (under registered retirement income funds and registered retirement savings plans);
  - Unemployment Insurance benefits including training allowances.
- Give the completed form to your employer or payer. Otherwise, you will be allowed **only** the basic personal amount of \$6,066.
- All amounts on this form should be rounded to the nearest dollar.
- **Need Help?** If you need help to complete this form, you may ask your employer or payer, or call the Source Deductions Section of your local Revenue Canada district taxation office. **Before you do this, please refer to the additional information on page 2 under "Notes to Employees and Payees."**

1. **Are you a non-resident of Canada?** (see note 1 on page 2). If so, and **less than 90 per cent** of your 1989 total world income will be included when calculating taxable income earned in Canada, enter 0 in the box on line 17 and sign the form. If you are a resident of Canada, go to item 2.

2. **Basic personal amount.** (everyone may claim \$6,066)

\$6,066

3. (a) **Are you married and supporting your spouse?** (see notes 4 and 5 on page 2)

or

(b) **Are you single, divorced, separated or widowed and supporting a relative who lives with you who is either your parent or grandparent, OR who is under 19 at the end of 1989, OR 19 or older and infirm?** (see notes 2, 3 and 4 on page 2)

**Note:** A spouse or dependant claimed here cannot be claimed again on lines 4 or 5. If you answered yes to either (a) or (b) and your spouse's or dependant's 1989 net income will be

• under \$506, CLAIM \$5,055	• between \$506 and \$5,561, CLAIM (e) →
• over \$5,561, CLAIM \$0	

Minus: spouse or dependant's net income

Claim (c minus d)

\$ 5,561 (c) (d) (e)

4. Do you have any dependents who will be under 19 at the end of 1989? (see notes 2 and 4 on page 2). If so, and your 1989 net income will be higher than your spouse's, calculate the amount to claim for each dependent. If you are not married, please refer to notes 2, 3 and 4 on page 2.

**Note:** If you have three or more dependents who will be under 19 years old at the end of the year, you do not have to claim them in the order they were born. You may claim them in the most beneficial order. For example, a dependent who is 16 years old with a net income of \$3,500 could be claimed as the first dependent (claim 0) while the other two, with no income, could be claimed as second and third dependents.

**First and second dependent:**

- If your dependent's 1989 net income will be
- under \$2,528, CLAIM \$392
  - between \$2,528 and \$2,920, CLAIM (e) →
  - over \$2,920, CLAIM \$0

<b>Minus:</b> dependent's net income	\$ 2,920	(c)
Claim (c minus d)		(d)
		(e)

1st dependent

2nd dependent

**Third and each additional dependent:**

- If your dependent's 1989 net income will be
- under \$2,528, CLAIM \$784
  - between \$2,528 and \$3,312, CLAIM (e) →
  - over \$3,312, CLAIM \$0

<b>Minus:</b> dependent's net income	\$ 3,312	(c)
Claim (c minus d)		(d)
		(e)

3rd dependent

4th dependent

5th dependent

Total

4.

5. Do you have any infirm dependents who will be 19 or older at the end of 1989? (see notes 2 and 4 on page 2). If so, and your dependent's net income will be

- under \$2,528, CLAIM \$1,487
- between \$2,528 and \$4,015, CLAIM (e) →
- over \$4,015, CLAIM \$0

<b>Minus:</b> dependent's net income	\$ 4,015	(c)
Claim (c minus d)		(d)
		(e)

1st dependent

2nd dependent

3rd dependent

Total

5.

6. Do you receive eligible pension income? (see note 6 on page 2). If so, claim this amount or \$1,000, whichever is less.

6.

7.

8.

7. Will you be 65 or older at the end of 1989? If so, claim \$3,272.

7.

8.

8. Are you disabled? (see note 7 on page 2). If so, claim \$3,272.

8.

9. Are you a student? If so, claim

- tuition fees paid for courses you take in 1989 to attend either a university, college or a certified educational institution. If you receive any scholarships, fellowships or bursaries in 1989, subtract the amount over \$500 from your tuition fees before you claim them.

- \$60 for each month in 1989 that you will be in full-time attendance in a qualifying program, at either a university, college or a school offering job re-training courses.

Total

9.

10. Total (add lines 2 to 9 - please enter this amount on line 11 on page 2)

10.



11. \_\_\_\_\_

Total (from line 10 on page 1)

**12. Are you claiming any transfers of unused pension income, age, disability, tuition fees and education amounts from your spouse and/or dependants? (see note 10 below)**

- If your spouse receives eligible pension income, you may claim any unused balance to a maximum of \$1,000 (see note 6 below).
- If your spouse will be 65 or older in 1989, you may claim any unused balance to a maximum of \$3,272.
- If your spouse and/or dependants are disabled, you may claim any unused balance to a maximum of \$3,272 for each (see note 7 below).
- If you are supporting a spouse and/or dependants who are attending either a university, college or a certified educational institution, you may be entitled to claim the unused balance to a maximum of \$3,529 for each (see item 9 on page 1).

12. \_\_\_\_\_

Total

13. \_\_\_\_\_

**13. Total Claim Amount - Add lines 11 and 12.**

14. \_\_\_\_\_

**14. Will you or your spouse receive family allowance (baby bonus) payments in 1989? If so, and your 1989 net income will be higher than your spouse's, enter the amount of family allowance payments you will receive in 1989. If you are not married, see note 3 below.**

15. \_\_\_\_\_

**15. NET CLAIM AMOUNT - Line 13 minus line 14.**

16. \_\_\_\_\_

**16. Is your estimated total income for 1989 (excluding family allowance payments) less than your net claim amount on line 15? If so, enter E in the box on line 17 and tax will not be deducted from your pay. Otherwise, go to line 17.**

17. \_\_\_\_\_

**17. NET CLAIM CODE - Match your net claim amount from line 15 with the net claim code table below to determine your net claim code, and enter this code in the box. If you already have a code in the box, go to line 18.**

18. \_\_\_\_\_

**18. Do you want to increase the amount of tax to be deducted from your salary or from other amounts paid to you such as pensions, commissions etc.? (see note 8 below). If so, state the amount of additional tax you wish to have deducted from each payment. The amount must be a multiple of \$5, for example, 5, 10, 15, 20 etc.**

19. \_\_\_\_\_

**19. Will you live in the Yukon, Northwest Territories or another prescribed area for more than six months in a row beginning or ending in 1989? If so, claim \$225 for each 30-day period that you live in a prescribed area, or if you maintain a "self-contained domestic establishment" in a prescribed area and you are the only person within that establishment claiming this deduction, claim \$450 for each 30-day period. You cannot claim more than 20 per cent of your net income for 1989 (see note 9 below).****I HEREBY CERTIFY** that the information given in this return is correct and complete.

Signature

Date

**Complete a new return within seven days of any change in your claim. It is an offence to make a false return.**

## NOTES TO EMPLOYEES AND PAYEES

1. If you are in doubt about your **non-resident** status, please contact the Source Deductions Section of your local district taxation office. If you are a **non-resident and 90 per cent or more** of your 1989 total world income will be included in determining your taxable income earned in Canada, you are entitled to claim certain personal amounts. Again for more information contact your district taxation office.
2. A **dependant** is an individual who is dependent on you for support and is either under 19 years old, OR 19 or older and physically or mentally infirm. This includes a child, grandchild, parent, grandparent, brother, sister, aunt, uncle, niece or nephew (including in-laws). Except in the case of a child or grandchild, this individual must also be resident in Canada.
3. Except for married individuals, the recipient of the **family allowance** must report the benefits and claim the amount for the child or children. Whoever claims the dependant for an equivalent-to-married amount must also report the family allowance for that dependant regardless of who receives the family allowance benefits.
4. Your spouse's or dependant's **net income**, for tax withholding purposes, is the total annual income from all sources including salary, pensions, Old Age Security, UI benefits, worker's compensation and social assistance (welfare) payments **minus** annual deductions for registered pension plan and registered retirement savings plan contributions.
5. If you **marry** during the year, your spouse's net income will include the income before and during marriage.
6. **Eligible pension income** includes pension payments received from a pension plan or fund as a **life annuity** and foreign pension payments. It does not include payments from Canada or Quebec Pension plans, Old Age Security, guaranteed income supplement and lump-sum withdrawals from a pension fund.
7. To claim a **disability**, you must be severely impaired (mentally or physically) in 1989 and have a Disability Credit Certificate. Such an impairment must markedly restrict you in your daily living activities. The impairment must have lasted or be expected to last for a continuous period of at least 12 months.
8. Line 18 on the form replaces the **TD3** form. You may find it convenient to deduct tax here for other income you receive that has little or no tax deducted from it. For example, UI benefits, investment or rental income.
9. **"Self-contained domestic establishment"** means the dwelling house, apartment or similar place where you sleep and eat. It does not include a bunkhouse, dormitory, hotel room or rooms in a boarding house. For further information, including the list of prescribed areas, see the "Northern Residents Deductions Tax Guide" which is available at our district taxation office.
10. Your spouse and/or dependants must first use their **pension income, age, disability, tuition fees and education amounts** as applicable to reduce their federal tax to zero before they can transfer any unused balance of these amounts to you.

Cette formule est disponible en français.

1989 NET CLAIM CODES	
net claim amount	claim code
NO claim amount	0
\$ 0 - 6,066	1
6,067 - 7,552	2
7,553 - 9,038	3
9,039 - 10,525	4
10,526 - 12,011	5
12,012 - 13,497	6
13,498 - 14,983	7
14,984 - 16,469	8
16,470 - 17,955	9
17,956 - 19,442	10
19,443 and over	X
NO tax withholding required	E



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## 1989 PERSONAL TAX CREDIT RETURN

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FAMILY NAME (Please Print)		USUAL FIRST NAME AND INITIALS		EMPLOYEE NUMBER
ADDRESS		For NON-RESIDENTS ONLY Country of Permanent Residence		SOCIAL INSURANCE NUMBER
Postal Code		DATE OF BIRTH Day Month Year		

### Instructions

- Please fill out this form so your employer or payer will know how much tax to deduct regularly from your pay. Regular deductions will help you avoid having to pay when you file your income tax return.
- **You must complete this form if you receive**
  - salary, wages, commissions or any other remuneration;
  - pension plan benefits or annuity payments (under registered retirement income funds and registered retirement savings plans);
  - Unemployment Insurance benefits including training allowances.
- Give the completed form to your employer or payer. Otherwise, you will be allowed **only** the basic personal amount of \$6,066.
- All amounts on this form should be rounded to the nearest dollar.
- **Need Help?** If you need help to complete this form, you may ask your employer or payer, or call the Source Deductions Section of your local Revenue Canada district taxation office. **Before you do this, please refer to the additional information on page 2 under "Notes to Employees and Payees."**

1. **Are you a non-resident of Canada?** (see note 1 on page 2). If so, and **less than** 90 per cent of your 1989 total world income will be included when calculating taxable income earned in Canada, enter 0 in the box on line 17 and sign the form. If you are a resident of Canada, go to item 2.
2. **Basic personal amount.** (everyone may claim \$6,066) \$6,066 2.
3. (a) **Are you married and supporting your spouse?** (see notes 4 and 5 on page 2)  
or  
(b) **Are you single, divorced, separated or widowed and supporting a relative who lives with you who is either your parent or grandparent, OR who is under 19 at the end of 1989, OR 19 or older and infirm?** (see notes 2, 3 and 4 on page 2)  
**Note:** A spouse or dependent claimed here cannot be claimed again on lines 4 or 5.  
If you answered yes to either (a) or (b) and your spouse's or dependent's 1989 net income will be  

Minus: spouse or dependent's net income	(c) \$ 5,561	(d)
Claim (c minus d)		(e)

  - under \$506. CLAIM \$5,055
  - between \$506 and \$5,561. CLAIM (e) 3.
  - over \$5,561. CLAIM \$0



4. Do you have any dependants who will be under 19 at the end of 1989? (see notes 2 and 4 on page 2). If so, and your 1989 net income will be higher than your spouse's, calculate the amount to claim for each dependant. If you are not married, please refer to notes 2, 3 and 4 on page 2.

**Note:** If you have three or more dependants who will be under 19 years old at the end of the year, you do not have to claim them in the order they were born. You may claim them in the most beneficial order. For example, a dependant who is 16 years old with a net income of \$3,500 could be claimed as the first dependant (claim 0) while the other two, with no income, could be claimed as second and third dependants.

**First and second dependant:**

- If your dependant's 1989 net income will be under \$2,528, CLAIM \$392
- between \$2,528 and \$2,920, CLAIM (e) →
- over \$2,920, CLAIM \$0

<b>Minus:</b> dependant's net income	\$ 2,920	(c)
Claim (c minus d)	_____	(d)
	_____	(e)

1st dependant \_\_\_\_\_  
2nd dependant \_\_\_\_\_  
3rd dependant \_\_\_\_\_  
4th dependant \_\_\_\_\_  
5th dependant \_\_\_\_\_  
Total \_\_\_\_\_ 4.

**Third and each additional dependant:**

- If your dependant's 1989 net income will be under \$2,528, CLAIM \$784
- between \$2,528 and \$3,312, CLAIM (e) →
- over \$3,312, CLAIM \$0

<b>Minus:</b> dependant's net income	\$ 3,312	(c)
Claim (c minus d)	_____	(d)
	_____	(e)

5. Do you have any infirm dependants who will be 19 or older at the end of 1989? (see notes 2 and 4 on page 2). If so, and your dependant's net income will be

- under \$2,528, CLAIM \$1,487
- between \$2,528 and \$4,015, CLAIM (e) →
- over \$4,015, CLAIM \$0

<b>Minus:</b> dependant's net income	\$ 4,015	(c)
Claim (c minus d)	_____	(d)
	_____	(e)

1st dependant \_\_\_\_\_  
2nd dependant \_\_\_\_\_  
3rd dependant \_\_\_\_\_  
Total \_\_\_\_\_ 5.

6. Do you receive eligible pension income? (see note 6 on page 2). If so, claim this amount or \$1,000, whichever is less.

\_\_\_\_\_ 6.

\_\_\_\_\_ 7.

\_\_\_\_\_ 8.

8. Are you disabled? (see note 7 on page 2). If so, claim \$3,272.

9. Are you a student? If so, claim

- **tuition fees** paid for courses you take in 1989 to attend either a university, college or a certified educational institution. If you receive any scholarships, fellowships or bursaries in 1989, subtract the amount over \$500 from your tuition fees before you claim them.

- \$60 for each month in 1989 that you will be in **full-time attendance** in a qualifying program, at either a university, college or a school offering job re-training courses.

Total \_\_\_\_\_ 9.

10. Total (add lines 2 to 9 - please enter this amount on line 11 on page 2) \_\_\_\_\_ 10.

11. \_\_\_\_\_ 11. \_\_\_\_\_  
Total (from line 10 on page 1)

12. Are you claiming any transfers of unused pension income, age, disability, tuition fees and education amounts from your spouse and/or dependants? (see note 10 below)

- If your spouse receives eligible pension income, you may claim any unused balance to a maximum of \$1,000 (see note 6 below).

- If your spouse will be 65 or older in 1989, you may claim any unused balance to a maximum of \$3,272.

- If your spouse and/or dependants are disabled, you may claim any unused balance to a maximum of \$3,272 for each (see note 7 below).

- If you are supporting a spouse and/or dependants who are attending either a university, college or a certified educational institution, you may be entitled to claim the unused balance to a maximum of \$3,529 for each (see item 9 on page 1).

Total \_\_\_\_\_ 12. \_\_\_\_\_

13. Total Claim Amount - Add lines 11 and 12.

14. Will you or your spouse receive family allowance (baby bonus) payments in 1989? If so, and your 1989 net income will be higher than your spouse's, enter the amount of family allowance payments you will receive in 1989. If you are not married, see note 3 below.

15. NET CLAIM AMOUNT - Line 13 minus line 14.

16. Is your estimated total income for 1989 (excluding family allowance payments) less than your net claim amount on line 15? If so, enter E in the box on line 17 and tax will not be deducted from your pay. Otherwise, go to line 17.

17. NET CLAIM CODE - Match your net claim amount from line 15 with the net claim code table below to determine your net claim code, and enter this code in the box. If you already have a code in the box, go to line 18.

18. Do you want to increase the amount of tax to be deducted from your salary or from other amounts paid to you such as pensions, commissions etc.? (see note 8 below). If so, state the amount of additional tax you wish to have deducted from each payment. The amount must be a multiple of \$5, for example, 5, 10, 15, 20 etc.

19. Will you live in the Yukon, Northwest Territories or another prescribed area for more than six months in a row beginning or ending in 1989? If so, claim \$225 for each 30-day period that you live in a prescribed area, or if you maintain a "self-contained domestic establishment" in a prescribed area and you are the only person within that establishment claiming this deduction, claim \$450 for each 30-day period. You cannot claim more than 20 per cent of your net income for 1989 (see note 9 below).

I HEREBY CERTIFY that the information given in this return is correct and complete.

Signature

Date

Complete a new return within seven days of any change in your claim. It is an offence to make a false return.

# NOTES TO EMPLOYEES AND PAYEES

1. If you are in doubt about your **non-resident** status, please contact the Source Deductions Section of your local district taxation office. If you are a **non-resident and 90 per cent or more** of your 1989 total world income will be included in determining your taxable income earned in Canada, you are entitled to claim certain personal amounts. Again for more information contact your district taxation office.
2. A **dependent** is an individual who is dependent on you for support and is either under 19 years old, OR 19 or older and physically or mentally infirm. This includes a child, grandchild, parent, grandparent, brother, sister, aunt, uncle, niece or nephew (including in-laws). Except in the case of a child or grandchild, this individual must also be resident in Canada.
3. Except for married individuals, the recipient of the **family allowance** must report the benefits and claim the amount for the child or children. Whoever claims the dependent for an equivalent-to-married amount must also report the family allowance for that dependent regardless of who receives the family allowance benefits.
4. Your spouse's or dependent's **net income**, for tax withholding purposes, is the total annual income from all sources including salary, pensions, Old Age Security, UI benefits, worker's compensation and social assistance (welfare) payments **minus** annual deductions for registered pension plan and registered retirement savings plan contributions.
5. If you **marry** during the year, your spouse's net income will include the income before and during marriage.
6. **Eligible pension income** includes pension payments received from a pension plan or fund as a **life annuity** and foreign pension payments. It does not include payments from Canada or Quebec Pension plans, Old Age Security, guaranteed income supplement and lump-sum withdrawals from a pension fund.
7. To claim a **disability**, you must be severely impaired (mentally or physically) in 1989 and have a Disability Credit Certificate. Such an impairment must markedly restrict you in your daily living activities. The impairment must have lasted or be expected to last for a continuous period of at least 12 months.
8. Line 18 on the form replaces the TD3 form. You may find it convenient to deduct tax here for other income you receive that has little or no tax deducted from it. For example, UI benefits, investment or rental income.
9. **"Self-contained domestic establishment"** means the dwelling house, apartment or similar place where you sleep and eat. It does not include a bunkhouse, dormitory, hotel room or rooms in a boarding house. For further information, including the list of prescribed areas, see the "Northern Residents Deductions Tax Guide which is available at our district taxation office.
10. Your spouse and/or dependants **must** first use their **pension income, age, disability, tuition fees and education amounts** as applicable to reduce their federal tax to zero before they can transfer any unused balance of these amounts to you.

Cette formule est disponible en français.

1989 NET CLAIM CODES	
net claim amount	claim code
NO claim amount	0
\$ 0 - 6,066	1
6,067 - 7,552	2
7,553 - 9,038	3
9,039 - 10,525	4
10,526 - 12,011	5
12,012 - 13,497	6
13,498 - 14,983	7
14,984 - 16,469	8
16,470 - 17,955	9
17,956 - 19,442	10
19,443 and over	X
NO tax withholding required	E

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## NOTES

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